

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

INFORMATION

Agenda Item No 7

meeting date: 1 SEPTEMBER 2015
 title: CAPITAL MONITORING 2015/16
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To provide members with information relating to the progress of the approved Community Committee capital programme for the period April to July 2015.

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 In total 11 new schemes for Community Committee, totalling £436,600, were approved by the Policy and Finance Committee and Full Council at their meetings in February and March 2015.

2.2 In addition, a budget of £47,000 for the Installation of 3G Artificial Pitch scheme was moved from 2014/15 to 2015/16. This was because the scheme could only go ahead once grant funding was received from Sport England and such funding had not been confirmed in 2014/15.

2.3 The total of these two elements created a 2015/16 Community Committee capital programme with 12 schemes and a total budget of £483,600, which is shown at Annex 1.

3 CAPITAL MONITORING 2015/16

3.1 The table below summarises the total Community Committee capital programme budget, expenditure to date and variance, as at the end of July 2015. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

	BUDGET		EXPENDITURE	
	Budget moved from 2014/15 £	Total Approved Budget 2015/16 £	Actual Expenditure including commitments as at end of July 2015 £	Variance as at end of July 2015 £
Original Estimate 2015/16 £				
436,600	47,000	483,600	60,291	-423,309

3.2 At the end of July 2015, only 12.5% of the annual capital programme for this Committee had been spent or committed. Since the end of July, orders have been placed for the replacement Refuse Collection Vehicle scheme and the Installation of 3G Artificial Pitch scheme, as detailed below. Therefore, as at the date of writing the report 65.6% had actually been spent or committed.

3.3 The main variations to the end of July 2015 are:

- **RBBFV – Replacement of Geesink 26t RP HGV Refuse Collection Vehicle:** Tenders have now been evaluated and an order placed in August 2015 for the new Refuse Collection Vehicle with bin lifter. The capital cost of the order is £210,055. Delivery is expected by early 2016.
- **RSHOV - Replacement of Waste Transfer Station Loader Shovel:** Procurement process in progress. Tenders to be received and evaluated by Autumn 2015, with delivery of the new loader shovel expected by late 2015 or early 2016.
- **TGAPS – Installation of 3G Artificial Pitch:** External funding was confirmed by Sport England in July 2015, subject to both the Council and Sport England each funding 50% of the scheme costs. The scheme contractor has been chosen and an order placed in August 2015 for £46,981. The scheme is due for completion by November 2015.
- **PLAYP – Play Area Improvements 2015/16:** A number of planned items of work will be carried out from August onwards. Further improvements may also be required following increased play area usage in the summer school holidays. Some budget will be kept unallocated until March to ensure any currently unforeseen work can be funded. The planned work on this budget relates to insurance condition surveys and work Council staff have identified.
- **AWPLG – All Weather Pitch Lighting:** The scheme has been put on hold because the LED technology required for this scheme will not be available at the budgeted cost in 2015/16. It is suggested that this scheme be reconsidered or moved to a later year in the three year capital programme, when the capital programme is next approved.

3.4 Four mower purchase schemes have been completed in the first part of the year, with a combined underspend of £19,801. The budget prices for these purchases were set three years ago based on estimates at that time. A more aggressive purchasing strategy adopted this time, incorporating the Yorkshire Purchasing Organisation and local suppliers, has seen the Council obtain much lower prices for these purchases than expected. For future years, any similar capital purchase schemes in the forward capital programme will be more closely reviewed in the annual review by the service to ensure the most realistic pricing is reflected in budgets.

4. CONCLUSION

4.1 At the end of July 2015, only 12.5% of the annual capital programme for this Committee had been spent or committed. The main reasons for this are:

- The procurement process being in progress on the three largest schemes, as at the end of July 2015. All these schemes are planned for completion in 2015/16.
- The majority of the Play Area Improvements work being planned for August onwards.
- The All Weather Pitch Lighting scheme is now unable to be undertaken in 2015/16 due to cost.

- 4.2 Since the end of July 2015, orders have been placed for the replacement Refuse Collection Vehicle scheme and the Installation of 3G Artificial Pitch scheme. These commitments plus spend as at the end of July total £317,327 which is 65.6% of the capital programme budget.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM9-15/AC/AC
24 August 2015

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – Policy and Finance Committee Overall Capital Programme 2015-2018 report, February 2015

Community Services Committee - Capital Programme 2015/16

Cost Centre	Schemes	Original Estimate 2015/16 £	Budget Moved from 2014/15 £	Additional Approvals 2015/16 £	Total Approved Budget 2015/16 £	Actual Expenditure including commitments as at end of July 2015 £	Variance as at end of July 2015 £
PLAYP	Play Area Improvements 2015/16	40,000	0	0	40,000	4,254	-35,746
RBBFV	Replacement of Geesink 26t RP HGV Refuse Collection Vehicle	210,000	0	0	210,000	0	-210,000
GNPZV	Replacement of 4x4 Tractor/Mower (PN04 NPZ)	17,000	0	0	17,000	12,220	-4,780
GPLOV	Replacement of Kubota Mower (PN05 PLO)	19,000	0	0	19,000	14,092	-4,908
RSCAG	Replace Scag Mower	9,000	0	0	9,000	4,887	-4,113
HGTRL	Two Heavy Goods Trailers	6,000	0	0	6,000	0	-6,000
TRISM	Replacement of 2 Trim Star Mowers	16,000	0	0	16,000	10,000	-6,000
RSHOV	Replacement of Waste Transfer Station Loader Shovel	75,000	0	0	75,000	0	-75,000
HYPRO	Hyprolyser Electrochlorination System at Ribblesdale Pool	15,600	0	0	15,600	14,838	-762
REPUV	Replacement of the UV unit at Ribblesdale Pool	9,000	0	0	9,000	0	-9,000
TGAPS	Installation of 3G Artificial Pitch	0	47,000	0	47,000	0	-47,000
AWPLG	All Weather Pitch Lighting	20,000	0	0	20,000	0	-20,000
	Total Community Committee	436,600	47,000	0	483,600	60,291	-423,309

Community Services Committee – Capital Programme 2015/16

PLAYP Play Area Improvements 2015/16

Service Area: Cultural & Leisure Services

Head of Service: Mark Beveridge

Brief Description:

Provide a fund for maintaining and improving the Council's seventeen play areas.

Start Date, duration and key milestones:

Start Date – April 2015

Anticipated Completion Date – March 2016

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	40,000	4,254	-35,746
ANTICIPATED TOTAL SCHEME COST	40,000		

Financial Implications – REVENUE

None expected.

Useful Economic Life

The life expectancy varies, depending upon the type of equipment purchased. Location and intensity of use is also a factor.

Progress - Budget Holder Comments

July 2015: A number of planned items of work will be carried out in the autumn – play area upgrades at Proctor's Field and Mardale and a new pendulum swing at the Castle. Further improvements may also be required following increased play area usage in the summer school holidays. Some budget will be kept unallocated until March to ensure any currently unforeseen work can be funded. The planned work on this budget relates to insurance condition surveys and work Council staff have identified.

Community Services Committee – Capital Programme 2015/16

RBBFV Replacement of Geesink 26t RP HGV Refuse Collection Vehicle

Service Area: Refuse Collection

Head of Service: Adrian Harper

Brief Description:

This project is for the replacement of a front-line Geesink RCV to allow its relegation to the position of cover vehicle and the existing cover vehicle is to be disposed of.

The Geesink bodies on 4 of the existing fleet have been found to have a shorter service life than the Dennis Twin Pack vehicles. The Geesink bodies are requiring new panels after 3 years of use (£4,000 per vehicle). It is most unlikely that the vehicles will last more than 6 years as a front line vehicle. The specification for the new vehicle is therefore to be based on the Dennis Eagle Twin Pack, rather than the Geesink that is to be disposed of. The cost of the new vehicle at £210,000 is to include the provision of a new Terberg Wheeled bin lifter.

Start Date, duration and key milestones:

April 2015

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	210,000	0	-210,000
ANTICIPATED TOTAL SCHEME COST	210,000		

Financial Implications – ANNUAL REVENUE:

Existing service – no change

Useful economic life:

This is replacing an existing item. The life of the new vehicle is anticipated to be 7 years as a front line vehicle with a further year as a cover vehicle. This is an improvement on the Geesink vehicle that is to be disposed of.

Progress - Budget Holder Comments

July/August 2015: Tenders now evaluated and order placed in August 2015 for the new Refuse Collection Vehicle with bin lifter. The capital cost of the order is £210,055. Delivery is expected by early 2016.

Community Services Committee – Capital Programme 2015/16

GNPZV - Replacement of 4x4 Tractor/Mower(PN04 NPZ)

Service Area: Grounds Maintenance

Head of Service: Mark Beveridge

Brief Description:

Replacement of tractor which will be 11 years old in 2015 and past its useful life.

Start Date, duration and key milestones:

April 2015

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	17,000	12,220	-4,780
ANTICIPATED TOTAL SCHEME COST	17,000		

Financial Implications – ANNUAL REVENUE:

Existing service – no change

Useful economic life:

The mower is used on a daily basis, although not intensively, therefore the projected life would be 10 years.

Progress - Budget Holder Comments

July 2015: New tractor mower now purchased. Scheme is complete. The budget price was set three years ago based on estimates at that time. A more aggressive purchasing strategy adopted this time, incorporating the Yorkshire Purchasing Organisation and local suppliers, has seen the Council obtain lower prices for this scheme than expected. For future years, the schemes in the forward capital programme will be more closely reviewed in the annual review by the service to ensure the most realistic pricing is reflected in budgets.

Community Services Committee – Capital Programme 2015/16

GPLOV Replacement of Kubota Mower PN05 PLO

Service Area: Grounds Maintenance

Head of Service: Mark Beveridge

Brief Description:

Replacement of existing mowing machine, which will be 10 years old in 2015 and past its useful life.

Start Date, duration and key milestones:

April 2015

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	19,000	14,092	-4,908
ANTICIPATED TOTAL SCHEME COST	19,000		

Financial Implications – ANNUAL REVENUE

Existing service – no change.

Useful economic life:

This machine is used intensively on a daily basis during the growing season and the recommended replacement period is 5 years, after which revenue costs increase due to more frequent repairs/maintenance. Increased breakdowns also mean a disruption to the service.

Progress - Budget Holder Comments

July 2015: New mower now purchased. Scheme is complete. The budget price was set three years ago based on estimates at that time. A more aggressive purchasing strategy adopted this time, incorporating the Yorkshire Purchasing Organisation and local suppliers, has seen the Council obtain lower prices for this scheme than expected. For future years, the schemes in the forward capital programme will be more closely reviewed in the annual review by the service to ensure the most realistic pricing is reflected in budgets.

Community Services Committee – Capital Programme 2015/16

RSCAG Replace Scag Mower

Service Area: Grounds Maintenance

Head of Service: Mark Beveridge

Brief Description:

Replace existing mower. Scag mowers are large pedestrian mowers used in areas where ride on mowers cannot access (they are larger and less manoeuvrable than Trim Star Mowers). They are predominately used on play areas, verges and Parish work.

Start Date, duration and key milestones:

April 2015.

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	9,000	4,887	-4,113
ANTICIPATED TOTAL SCHEME COST	9,000		

Financial Implications – ANNUAL REVENUE:

Existing service – no change

Useful economic life:

Standard life expectancy for this type of mower is 5-7 years, depending on frequency/intensity of use.

Progress - Budget Holder Comments

July 2015: New mower now purchased. Scheme is complete. The budget price was set three years ago based on estimates at that time. A more aggressive purchasing strategy adopted this time, incorporating the Yorkshire Purchasing Organisation and local suppliers, has seen the Council obtain lower prices for this scheme than expected. For future years, the schemes in the forward capital programme will be more closely reviewed in the annual review by the service to ensure the most realistic pricing is reflected in budgets.

Community Services Committee – Capital Programme 2015/16

HGTRL Two Heavy Goods Trailers

Service Area: Grounds Maintenance

Head of Service: Mark Beveridge

Brief Description:

Replace existing trailers with two heavy goods trailers used to transport equipment around village/Parish locations. Current trailers are 5 years old and so will be 8 years old at proposed replacement, resulting in increased revenue costs for repair/maintenance.

Start date, duration and key milestones:

April 2015

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	6,000	0	-6,000
ANTICIPATED TOTAL SCHEME COST	6,000		

Financial Implications – ANNUAL REVENUE:

Existing service – no change.

Useful economic life:

Depending on use, each trailer will have a life expectancy of 5-8 years.

Progress - Budget Holder Comments

July 2015: Procurement in progress. Delivery expected by late Autumn 2015.

Community Services Committee – Capital Programme 2015/16

TRISM Replacement of 2 Trim Star Mowers

Service Area: Grounds Maintenance

Head of Service: Mark Beveridge

Brief Description:

Replace existing mowers. Trim Star mowers are used for smaller areas where ride on mowers cannot access. They are used heavily on a daily basis.

Start Date, duration and key milestones:

April 2015

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	16,000	10,000	-6,000
ANTICIPATED TOTAL SCHEME COST	16,000		

Financial Implications – ANNUAL REVENUE:

Existing service - no change.

Useful economic life:

Life expectancy is around 6 years, depending on frequency/intensity of use.

Progress - Budget Holder Comments

July 2015: New mowers now purchased. Scheme is complete. The budget price was set three years ago based on estimates at that time. A more aggressive purchasing strategy adopted this time, incorporating the Yorkshire Purchasing Organisation and local suppliers, has seen the Council obtain lower prices for this scheme than expected. For future years, the schemes in the forward capital programme will be more closely reviewed in the annual review by the service to ensure the most realistic pricing is reflected in budgets.

Community Services Committee – Capital Programme 2015/16

RSHOV Replacement of Waste Transfer Station Loader Shovel

Service Area: Refuse Collection

Head of Service: Adrian Harper

Brief Description:

Materials delivered into the Salthill Waste Transfer station by the refuse collection fleet and street cleansing vehicles are all, except for scrap metals, loaded into the bulk haulage vehicles for transport to the LCC waste treatment parks. This project is for the replacement of the loading shovel that lifts the tipped materials from the floor of the transfer buildings into the bulk haulage vehicles.

Start Date, duration and key milestones:

Start April for a 20 week procurement period (dependent upon the degree of activity in the construction industry as a buoyant industry may extend the machine build period).

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	75,000	0	-75,000
ANTICIPATED TOTAL SCHEME COST	75,000		

Financial Implications – ANNUAL REVENUE:

Existing service – no change.

Useful economic life:

This is replacing an existing item. The life of the new machine is anticipated to be 9 years.

Progress - Budget Holder Comments

July 2015: Procurement process in progress. Tenders to be received and evaluated by Autumn 2015, with delivery of the new loader shovel expected by late 2015 or early 2016.

Community Services Committee – Capital Programme 2015/16

HYPRO Hypolyser Electrochlorination System at Ribblesdale Pool

Service Area: Ribblesdale Pool

Head of Service: Mark Beveridge

Brief Description:

Installation of a Hypolyser Electrochlorination system at Ribblesdale Pool.

The chemical dosing of the Main and Teaching Pools is currently provided by Granudos Units. However, the units are prone to become periodically blocked with deposits and insufficient chemical is then able to enter the water through this controlled mechanism. The Hypolyser unit being proposed utilises a different vacuum dosing system, and does not encounter this problem. Council officers have visited sites with the Hypolyser equipment installed and there were no reports of dosing blockages.

There is a maintenance cost in terms of an ongoing time commitment required by pool staff to clear the dosing equipment which is believed avoidable if the new system of chemical treatment were to be introduced.

Start date, duration and key milestones:

There are no key milestones attached to this project. The revenue savings are potentially available on installation of the equipment.

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	15,600	14,838	-762
ANTICIPATED TOTAL SCHEME COST	15,600		

Financial Implications – ANNUAL REVENUE:

£2,800 reduction in maintenance costs per annum.

Useful economic life:

15-20 years.

Progress - Budget Holder Comments

July/August 2015: The new system had been ordered in summer 2015. The system has been fitted in August 2015.

Community Services Committee – Capital Programme 2015/16

REPUV Replacement of the UV unit at Ribblesdale Pool

Service Area: Ribblesdale Pool

Head of Service: Mark Beveridge

Brief Description:

The existing U.V. unit was installed approximately 9 years ago and serves the Teaching Pool in providing additional protection to bathers. It is now considered to be high maintenance for the size of pool it serves. To maintain the effectiveness of the U.V. unit it is usual practice to undertake an annual service and replacement of the lamps annually. These costs would be significantly reduced with a new replacement unit.

Start date, duration and key milestones:

There is no specific milestone attached to this project; though the sooner a replacement is installed then the sooner the maintenance and running costs can be realised.

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	9,000	0	-9,000
ANTICIPATED TOTAL SCHEME COST	9,000		

Financial Implications – ANNUAL REVENUE:

£2,750 reduction in maintenance costs per annum.

Useful economic life:

The expected life of the U.V. equipment is approximately 10 years.

Progress - Budget Holder Comments

July 2015: Procurement process in progress. Quotes will be evaluated by September 2015, with installation expected by October 2015.

Community Services Committee – Capital Programme 2015/16

TGAPS Installation of 3G Artificial Pitch

Service Area: Cultural & Leisure Services
Head of Service: Mark Beveridge

Brief Description:

The artificial surface at Edisford is divided into 3 playing areas, and the largest of these was purposely designed for Tennis (3 x court provision) and the artificial carpet pile and surface is conducive to Tennis essentially, though due to the decline of demand for Tennis the area is now mainly utilised for Football.

The purpose of this scheme is to replace the artificial pitch carpet, which has been in place for 11 years with a new 3G surface specific for Football participation. There are currently no other pitch surfaces of its kind available to the general public in Ribble Valley and evidence points to its income generating potential for Football Training and junior matches.

This scheme includes the submission of an application to Sport England for a funding contribution from the Inspired Facilities Programme. Progression of this scheme is dependent upon this funding bid being successful.

Start Date, duration and key milestones:

This was dependent upon the success of the application for funding to Sport England. The initial 2014/15 bid was not successful. A successful bid was made in summer 2015. Work will take place in Autumn 2015.

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Original Estimate 2015/16	0		
Budget moved from 2014/15	47,000		
Total Approved Budget 2015/16	47,000	0	-47,000
Actual Expenditure 2014/15	0		
ANTICIPATED TOTAL SCHEME COST	47,000		
Funding – Sport England	-23,500		
Net Impact for Ribble Valley BC	23,500		

Financial Implications – REVENUE

Estimated increased maintenance costs of £1,000 per annum, but increased income of £6,500 per annum. Therefore, net increased income of £5,500 per annum.

Useful Economic Life

Approximately 15 years with the appropriate level of maintenance and support to help preserve the surface.

Community Services Committee – Capital Programme 2015/16**Progress - Budget Holder Comments**

July/August 2015: External funding has been confirmed by Sport England in July 2015, subject to both the Council and Sport England each funding 50% of the scheme costs. This means that the Council's contribution to the scheme has increased by £1,500, from £22,000 to £23,500. This increased contribution, from revenue budgets, was approved by Committee in June 2015.

The scheme contractor has been chosen and an order placed in August 2015 for £46,981. The scheme is due for completion by November 2015.

August/September 2014: The scheme will not start until external funding is confirmed. The updated September 2014 application for Sport England funding was unsuccessful. Officers will make an updated bid in November 2014. A way forward for the scheme and its funding will be decided after Sport England make their decision on that bid.

July 2014: The original application to Sport England for 'Inspired' funding was unsuccessful but based upon the feedback received and the opportunity to re-submit an improved application, it was decided to reapply based on the same level of funding support and a decision is expected by September 2014.

Community Services Committee – Capital Programme 2015/16

AWPLG All Weather Pitch Lighting

Service Area: Edisford All Weather Pitch

Head of Service: Mark Beveridge

Brief Description:

The synthetic turf pitches at the Ribblesdale Pool are currently lit by 16 x 2KW metal halide floodlights mounted on 10m columns, these columns house the control gear for the lighting. They are approaching the end of their economic life. Some bookings have been cancelled because of lighting failure during the past year.

This scheme will replace the current fittings and control gear with more energy efficient self-contained LED Fittings, without compromising on light output. Self-contained fittings will dramatically cut the currently high maintenance bill. Although, the technology of LEDs is not quite advanced enough yet to acquire the lumen output required.

Start date, duration and key milestones:

January 2016: Produce drawings and specifications.

May 2016: Tender and undertake programme of works.

July 2016: Completion and issue snagging list.

Financial Implications – CAPITAL:

	£	Actual Expenditure and Commitments as at end of July 2015 £	Variance as at end of July 2015 £
Total Approved Budget 2015/16	20,000	0	-20,000
ANTICIPATED TOTAL SCHEME COST	20,000		

Financial Implications – ANNUAL REVENUE:

Reduced costs of £2,050 per annum in years 1 to 3, then reduced costs of £550 per annum in years 4 to 10.

Useful economic life:

10 years.

Progress - Budget Holder Comments

July 2015: The scheme has been put on hold because the LED technology required for this scheme will not be available at the required cost in 2015/16.