

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 15

meeting date: 27 OCTOBER 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 Policy and Finance Committee capital programme for the period April to September 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, 3 new schemes totalling £371,400 were approved for the Policy and Finance Committee, at the meetings of the Policy and Finance Committee and Full Council in February and March 2015.

2.2 In addition, a budget of £100,000 for the Economic Development Initiatives scheme was moved from 2014/15 to 2015/16. This budget was set up to provide support for economic development whenever appropriate opportunities arise. Discussions were taking place regarding a number of potential sites in 2014/15.

2.3 The total of these two elements created a 2015/16 Policy and Finance Committee capital programme with 4 schemes totalling £471,400. The capital programme is shown at Annex 1.

3 CAPITAL MONITORING 2015/16

3.1 The table below summarises the total Policy and Finance Committee capital programme budget, expenditure to date and variance, as at the end of September 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	
Original Estimate 2015/16 £	Budget moved from 2014/15 £	Total Approved Budget 2015/16 £	Actual Expenditure including commitments as at end of September 2015 £	Variance as at end of September 2015 £
371,400	100,000	471,400	3,015	-468,385

3.2 At the end of September 2015, only 0.6% of the annual capital programme for this Committee had been spent or committed. It should be noted that the combined contract for the Council Offices Re-roofing and Replacement of Windows and Roof Lights schemes will be signed in October 2015. Once signed, this would mean that over 50% of the capital programme budget is committed.

3.3 The main variations as at the end of September 2015 are shown below:

- **OROOOF - Council Offices Re-roofing and WINDW – Council Offices Replacement Windows and Roof Lights:** The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016.
- **TNSCP – Clitheroe Townscape Scheme:** The series of options worked up for this scheme, in conjunction with Lancashire County Council, are being considered and further discussions are taking place with the County Council on the way forward. At this stage, it is expected that work will be completed in the 2015/16 financial year.
- **ECDVI – Economic Development Initiatives:** The District Valuer, on behalf of the Council, has secured initial agreement with land owners on values and details are being progressed to acquire a site. Expenditure has been drawn from other revenue budgets to fund pre-investment works so far.

4 CONCLUSION

4.1 At the end of September 2015, only 0.6% of the annual capital programme for this Committee had been spent or committed. Once the combined contract for the Council Offices Re-roofing and Replacement of Windows and Roof Lights schemes is signed in October 2015, this would mean that over 50% of the capital programme budget is committed.

4.2 At this stage, it is expected that work will be completed on the Clitheroe Townscape scheme by the end of 2015/16, subject to the outcome of current discussions with Lancashire County Council on the best way forward.

4.3 Capital expenditure will take place on the Economic Development Initiatives scheme in-year if the appropriate opportunities arise.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF59-15/AC/AC
16 October 2015

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

Policy and Finance Committee – Capital Programme 2015/16

Cost Centre	Schemes	Original Estimate 2015/16 £	Budget moved from 2014/15 £	Total Approved Budget 2015/16 £	Actual Expenditure including commitments as at end of September 2015 £	Variance as at end of September 2015 £
OROOF	Council Offices – Re-roofing	167,500	0	167,500	2,673	-164,827
WINDW	Council Offices – Replacement Windows and Roof Lights	88,900	0	88,900	342	-88,558
TNSCP	Clitheroe Townscape Scheme	115,000	0	115,000	0	-115,000
ECDVI	Economic Development Initiatives	0	100,000	100,000	0	-100,000
	Total Policy and Finance Committee	371,400	100,000	471,400	3,015	-468,385

Policy and Finance Committee Individual Scheme Details

OROOF Council Offices – Re-roofing

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description:

As the appearance of the Council Offices forms the first impression to any visitors or residents of the borough, it is essential that they are maintained to a high standard. Overall the building is in a fair external condition, however it is noted that since construction in 1980 only minor repairs to the roof have been carried out. Due to the general life expectancy of fixing nails being approximately 15-20 years it is recommended that the roof be re-slatted. Following the survey of the office roof, in October 2013, it has been noted that there are a number of slipped slates, missing slates and lead tie fixings already present on the roof, this suggesting that corrosion of the current fixings is present.

The scheme would involve the provision of scaffolding with a 4 phased programme to involve, stripping off all existing slates and battens, storing any undamaged slates for reuse, supply and fit breathable roofing felt with new soft wood treated battens, supply and install new insulation and refix slates.

Start date, duration and key milestones:

April 2015: Tender and undertake programme of works

June 2015: Commencement of works

August 2015: Completion and start

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of September 2015 £	Variance as at end of September 2015 £
Total Approved Budget 2015/16	167,500	2,673	-164,827
ANTICIPATED TOTAL SCHEME COST	167,500		

Financial Implications – REVENUE

Existing service – no change

Useful Economic Life

25 – 30 years.

Progress - Budget Holder Comments

September/October 2015: The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015.

Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

**Policy and Finance Committee
Individual Scheme Details**

July/August 2015: The Council Offices - Re-roofing scheme and Council Offices - Replacement Windows and Roof Lights scheme have been combined together in one contract. The contract has been put out to tender. The preferred contractor will be chosen, following tender evaluation, by September 2015. The timing of the works is to be confirmed with the preferred contractor when the contract is awarded. At this point in time, scheme completion is expected within 2015/16. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

Policy and Finance Committee Individual Scheme Details

WINDW Council Offices - Replacement Windows and Roof Lights

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description:

The aim of this scheme is to replace the remaining original timber framed windows and roof Lights in the Church Walk Council Offices. The timber beading that surround the glass panels in the original windows are deteriorating, in some cases have detached from the frames. This has the potential to present a health and safety risk to members of public and staff which use the car parks below. Some of the windows are ill fitting and allow draughts and leaks. A number of the roof lights exhibit water ingress and have reached their renewal point. It is noted that it would take around 25 years to replace all of the windows under the current revenue funded maintenance approach. Hence the resubmission of this application for capital funding for an accelerated replacement programme.

Start date, duration and key milestones:

April 2015: Specify and Tender.
June 2015: Commencement of works.
August 2015: Completion.

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of September 2015 £	Variance as at end of September 2015 £
Total Approved Budget 2015/16	88,900	342	-88,558
ANTICIPATED TOTAL SCHEME COST	88,900		

Financial Implications – REVENUE:

£500 savings per year

Useful economic life:

15 - 20 years.

Progress - Budget Holder Comments

September/October 2015: The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

**Policy and Finance Committee
Individual Scheme Details**

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Policy and Finance Committee Individual Scheme Details

TNSCP Clitheroe Townscape Scheme

Service Area: Regeneration

Head of Service: Colin Hirst and Adrian Harper

Brief Description:

The bid is a Council contribution to support the uplift of the Clitheroe Townscape, to include elements of the frontage of the buildings, the highway and features of the public realm. This would be a multi-agency approach involving LCC as Highways Authority and RVBC as a co-ordinating body, with the potential to seek third party funding from the Heritage Lottery Fund and other external partners.

Start Date, duration and key milestones:

Anticipated design work: April 2015.

Anticipated start on site: May 2015

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of September 2015 £	Variance as at end of September 2015 £
Total Approved Budget 2015/16	115,000	0	-115,000
ANTICIPATED TOTAL SCHEME COST	115,000		
Funding – Lancashire County Council	60,000		
Net Impact for Ribble Valley BC	55,000		

Financial Implications – REVENUE

None.

Useful Economic Life

Not applicable.

Progress - Budget Holder Comments

September 2015: The series of options worked up for this scheme, in conjunction with Lancashire County Council, are being considered and further discussions are taking place with the County Council on the way forward. At this stage, it is expected that work will be completed in the 2015/16 financial year.

July 2015: A series of options have been worked up for this scheme, in conjunction with Lancashire County Council. These options will be considered and a way forward then agreed. At this stage, it is expected that work will be completed in the 2015/16 financial year.

Policy and Finance Committee Individual Scheme Details

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:

Key milestones will depend upon the individual projects developed.

Financial Implications – CAPITAL

	£	Actual Expenditure and Commitments as at end of September 2015 £	Variance as at end of September 2015 £
Original Estimate 2015/16	0		
Budget moved from 2014/15	100,000		
Total Approved Budget 2015/16	100,000	0	-100,000
Actual Expenditure 2014/15	0		
Actual Expenditure 2013/14	0		
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 2015: The District Valuer has secured initial agreement with land owners on values and details are being progressed to acquire a site. Expenditure has been drawn from other revenue budgets to fund pre-investment works so far.

**Policy and Finance Committee
Individual Scheme Details**

July 2015: The Council has instructed the District Valuer to negotiate the purchase of some land on one scheme and we are currently awaiting the outcome of this. Expenditure has been drawn from other revenue budgets to fund pre-investment works so far.

September 2014: The Council continues to seek land for potential economic development. Expenditure has been drawn from revenue budgets to fund pre-investment works to date.

July 2014: The Council continues to seek land for potential economic development.

March 2014: Projects have not reached a stage where capital is required. Expenditure has been drawn from other revenue budgets to fund pre-investment works.

September 2013: Work on the scheme has been undertaken, however expenditure has been revenue based rather than capital.

July 2013: An area of land has been identified and measures are being taken to secure the land for industrial development.

March 2013: The Council is continuing pursuing the acquisition of land for employment purposes.

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.