

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 20

meeting date: 20 NOVEMBER 2018
 title: CAPITAL MONITORING 2018/19
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To report progress on the approved 2018/19 capital programme for this Committee for the period to the end of September 2018.

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 Three schemes, totalling £156,420, were approved as this Committee's original estimate capital programme by the Policy and Finance Committee and Full Council at their respective meetings in February 2018 and March 2018.

2.2 Three schemes in the 2017/18 capital programme were not completed by 31 March 2018 and had unspent budget available at that date. The total unspent budget on these schemes, totalling £86,140 and known as slippage, was transferred into the 2018/19 capital programme budget.

2.3 An additional budget of £10,500 was approved by this Committee in September 2018 for the additional estimated costs of the Replacement server for Revenues and Benefits scheme. This is known as an additional approval.

2.4 As a result of the above, the total approved budget for this Committee's capital programme of six schemes is £253,060. This is shown at Annex 1.

3 CAPITAL MONITORING 2018/19

3.1 The table below summarises this Committee's capital programme budget, expenditure to date and variance as at the end of September 2018. 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.

Original Estimate 2018/19 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Actual Expenditure including commitments as at end of September 2018 £	Variance as at end of September 2018 £
156,420	86,140	10,500	253,060	101,049	-152,011

3.2 At the end of September 2018 £101,049 had been spent or committed. This is 39.9% of the annual capital programme budget for this Committee.

3.3 The Civic suite upgrade scheme has been completed.

- 3.4 The Queensway Garages, Financial system upgrade and Replacement server for Revenues and Benefits schemes are currently on-track to be completed in-year.
- 3.5 The New Council telephone system scheme may not be completed in-year and the Lift replacement at Council Offices scheme will not be completed in-year.
- 3.6 The main reasons for the underspend on the full year budget to date are:
- **Queensway Garages – replace roof covering and repairs (-£7,460):** The scheme is still close to completion but officers are still awaiting agreement from some residents on gaining access to the rear of their garages to complete the final part of the work. It is expected that the scheme will be completed in-year, subject to gaining the access required.
 - **Lift replacement at Council Offices (-£87,000):** The design and build specification needs to be finalised before the scheme is put out to tender. The time required for the tender, design and build stages means that the scheme will not be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.
 - **Replacement server for Revenues and Benefits (-£11,458):** The server was on order at the end of September 2018. It has now been built and delivered to site. Consultant input has been planned in to complete the migration of the Revenues and Benefits system on to the new server by the end of January 2019.
 - **New Council telephone system (-£45,000):** Following input from CMT, further work is on-going with regard to the options being considered for a preferred solution. The preferred solution will be reported to CMT and a future Policy and Finance Committee meeting before quotes are requested from suppliers. At this stage, there is no guarantee that the scheme will be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

4 CONCLUSION

- 4.1 At the end of September 2018 £101,049 had been spent or committed. This is 39.9% of the annual capital programme budget for this Committee.
- 4.2 Out of the six capital schemes for this Committee, one has been completed and at this stage three are on-track to be completed in-year. The New Council telephone system scheme may not be completed in-year and the Lift replacement at Council Offices scheme will not be completed in-year.

SENIOR ACCOUNTANT
PF73-18/AC/AC
12 November 2018

DIRECTOR OF RESOURCES

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

Policy and Finance Committee – Capital Programme 2018/19

Cost Centre	Scheme	Original Estimate 2018/19 £	Slippage from 2017/18 £	Additional Approvals 2018/19 £	Total Approved Budget 2018/19 £	Actual Expenditure including commitments as at end of September 2018 £	Variance as at end of September 2018 £
QGARR	Queensway Garages – replace roof covering and repairs	23,000	0	0	23,000	15,540	-7,460
COLFT	Lift replacement at Council Offices	87,000	0	0	87,000	0	-87,000
CFUPG	Financial system upgrade	46,420	0	0	46,420	46,433	13
RBSVR	Replacement server for Revenues and Benefits	0	13,500	10,500	24,000	12,542	-11,458
PHONE	New Council telephone system	0	45,000	0	45,000	0	-45,000
CSUPG	Civic suite upgrade	0	27,640	0	27,640	26,534	-1,106
Total Policy and Finance Committee		156,420	86,140	10,500	253,060	101,049	-152,011

Policy and Finance Committee Individual Scheme Details

Queensway Garages – replace roof covering and repairs

Service Area: Estates
Head of Service: Adrian Harper

Brief Description of the Scheme:

The Garage site comprising 23 garages is now managed again by the Council.

The Garages are in a poor condition and are in need of repairs. The roof covering has reached the end of its economic life. An estimate for works including the removal and disposal of the existing asbestos cement roofs, replacing with steel roofing sheets and some maintenance work to the metal up and over doors would come to a cost of £23,000.

It should be noted that the Council previously generated an income of approximately £3,600 per year when Ribble Valley Homes managed the garage site. Now the Council have taken back management of the garage site, it is estimated further income of £3,600 per year will be accrued, resulting in estimated income of £7,200 per annum.

Revenue Implications:

-£3,600 Fees and charges income per annum – garage rents additional income now the Council manage the garages.

£500 Premises related costs per annum – yearly maintenance costs now the Council manage the garages.

Timescale for Completion:

Spring 2018: Specify and Tender.

Summer 2018: Commencement of works and completion.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Total Approved Budget 2018/19	23,000	15,540	-7,460
ANTICIPATED TOTAL SCHEME COST	23,000		

Progress - Budget Holder Comments

September/October 2018: The scheme is still close to completion but officers are still awaiting agreement from some residents on gaining access to the rear of their garages to complete the final part of the work. It is expected that the scheme will be completed in-year, subject to gaining the access required.

August 2018: The majority of the work on the scheme is complete and officers are awaiting agreement with residents on gaining access to the rear of some of the garages to complete the final part of the work. At this stage, it is expected that the scheme will be completed in-year.

Policy and Finance Committee Individual Scheme Details

Lift replacement at Council Offices

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description of the Scheme:

The council offices lift is the only accessible entrance to the council offices. The exact age of the lift itself is unidentified. The gear box that controls the lift is 38 years old so it can be assumed that the lift has been in situ since 1979. The lift is coming to the end of its economic life. In 2013 essential repair works to the lift were undertaken to keep the lift in operation; the total cost of this was £5,170. These works entailed replacement of the lift ropes and repairs to the drive sheave. It is generally thought that a reasonable operating life cycle for a lift would be 20-25 years although this expectation is dependent on usage and the environment in which the lift has been installed. The design life of a lift can and has been extended with routine servicing and by using replacement parts of the correct compatibility. The older a lift becomes sourcing original parts becomes increasingly difficult as they are no longer manufactured. As the legislation changes modifications are required to improve/meet compliance. The current standards in force for new lift installations are the BS EN81 series. To ensure the increased safety of existing lifts BS EN81-80 contains the rules for improvement of existing lift installations. Any existing lift installation should be assessed to this standard to ensure it meets the highest level of safety. The lift at the council offices does not comply with BS EN81-80. However, currently there is no legal obligation to comply.

The lift requires replacement because it is coming to the end of its economic life, does not comply with the latest BS standards and is currently unreliable.

Revenue Implications:

None.

Timescale for Completion:

Spring 2018: Out to tender. Summer 2018: Install new lift.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Total Approved Budget 2018/19	87,000	0	-87,000
ANTICIPATED TOTAL SCHEME COST	87,000		

Progress - Budget Holder Comments

September/October 2018: No change to August 2018 comments.

August 2018: The design and build specification needs to be finalised before the scheme is put out to tender. The time required for the tender, design and build stages means that the scheme will not be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

Policy and Finance Committee Individual Scheme Details

Financial system upgrade

Service Area: Financial Services
Head of Service: Lawson Oddie

Brief Description of the Scheme:

We were made aware towards the end of 2017 by the software supplier of our financial systems that the rich client version that we currently use is to be withdrawn from mid-2018 and that we will be forced to move to the web-based version.

As a result, a financial system upgrade capital scheme is required for the 2018/19 financial year.

Revenue Implications:

There will be an increase to our annual maintenance and support charge of £2,800. The current annual charge is £18,679.

Timescale for Completion:

We have been told that the very latest date that could be permitted for a move to the web-version of the software in 'live' would be December 2018. We will look to undertake the implementation after the audit of the Statement of Accounts for 2017/18 - therefore between August and December 2018. Any interim work that could be undertaken without impacting on the closedown process and audit will be undertaken earlier where possible.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Total Approved Budget 2018/19	46,420	46,433	13
ANTICIPATED TOTAL SCHEME COST	46,433		

Progress - Budget Holder Comments

September/October 2018: The initial upgrade and migration work has been completed in the test environment. Testing is almost complete on the Rich Client version. Once this has been tested and rolled out to users, work will be finalised on moving over to the latest web version of the system, with further consultancy from the software company and testing before go-live. There have been some delays on testing which is likely to push completion to January/February 2019.

August 2018: The upgrade software has been paid for. The IT consultancy input for the web upgrade and conversion part of the scheme, which is required to complete the scheme, will be scheduled in within this financial year.

Policy and Finance Committee Individual Scheme Details

Replacement server for Revenues and Benefits

Service Area: Revenues and Benefits

Submitted by: Mark Edmondson

Brief Description of the Scheme:

This scheme allows for the future replacement of the current SUN M3000 server which hosts the Council's Revenues and Benefits system. In 2017, the current server would be over 5 years old.

Revenue Implications:

Reduced yearly support and maintenance costs of approximately £1,000 per annum.

Timescale for Completion:

During 2017/18.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Original Estimate 2018/19	0		
Slippage from 2017/18	13,500		
Additional Approval 2018/19	10,500		
Total Approved Budget 2018/19	24,000	12,542	-11,458
Actual Expenditure 2017/18	0		
ANTICIPATED TOTAL SCHEME COST	24,000		

Progress – Budget Holder Comments:

September/October 2018: The server was on order at the end of September 2018. It has now been built and delivered to site. Consultant input has been planned in to complete the migration of the Revenues and Benefits system on to the new server by the end of January 2019.

August 2018: The pre-installation technical architecture review has been completed, the preferred server has been selected and IT consultant installation input has been confirmed, so the new server will be installed by December 2018. The best quote received for the server and the need for IT consultant input on the scheme means that the estimated scheme cost is £24,000, which is £10,500 more than the current scheme budget of £13,500. The replacement server is required because the current server's

**Policy and Finance Committee
Individual Scheme Details**

operating system is not supported on the latest release of the Northgate Revenues & Benefits software and the additional budget requirement can be funded from the Housing Benefits and Local Council Tax Support New Burdens Equipment Reserve.

March 2018: The ICT section were awaiting technical and initial quote feedback from the main revenues system suppliers at year-end, before planning further quotes and the implementation approach for the server. Slippage of £13,500 into the 2018/19 financial year is required to purchase the replacement server.

December 2017: ICT are awaiting technical and initial quote feedback from the main revenues system suppliers, before planning further quotes and the implementation approach. Given this, there is no planned end date at this stage and completion within the current financial year cannot be estimated with any certainty at this stage. If the scheme is not completed by year-end, then any unspent budget will be rolled forward at year-end to support spend in 2018/19.

September 2017: The scheme implementation and procurement plan will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.

July 2017: The scheme implementation and procurement plan has not started yet. It will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.

Policy and Finance Committee Individual Scheme Details

New Council telephone system

Service Area: Organisation and Member Development

Submitted by: Michelle Smith

Brief Description of the Scheme:

A new telephone system is required for the Council, as follows:

- The current Phillips system is now 10 years old and the manufacturers have indicated that it will be unsupported from 2016 onwards, which will create issues in respect of ongoing repair and maintenance.
- There have been several system failures recently. In addition, it has been difficult to get repairs done promptly and adequately when these failures have occurred. This has had a negative impact on the smooth running of Council departments.

The capital scheme may involve:

- A new system (including main switchboard).
- Servers and updated handsets hardware to run the system on.
- Technical/consultant input to help spec the detail of the system and assist with the procurement process.

Revenue Implications:

To be confirmed.

Timescale for Completion:

Start technical assessment and procurement with aim of implementing the new system as soon as possible in 2017/18.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Original Estimate 2018/19	0		
Slippage from 2017/18	45,000		
Total Approved Budget 2018/19	45,000	0	-45,000
Actual Expenditure 2017/18	0		
ANTICIPATED TOTAL SCHEME COST	45,000		

**Policy and Finance Committee
Individual Scheme Details****Progress – Budget Holder Comments:**

September/October 2018: Following input from CMT, further work is on-going with regard to the options being considered for a preferred solution. The preferred solution will be reported to CMT and a future Policy and Finance Committee meeting before quotes are requested from suppliers. At this stage, there is no guarantee that the scheme will be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

August 2018: Following supplier input on the type of replacement system or system upgrade available to provide telephony resilience for future years, lead officers and CMT discussed the initial options considered and agreed the next steps for the scheme. Lead officers will now gather more information on technical specifications, costings and timescales and suggest a preferred solution. The preferred solution will be reported to CMT and a future Policy and Finance Committee meeting. At this stage, officers are aiming to complete the scheme in 2018/19, but this is dependent on the timescale for the preferred solution.

March 2018: The scheme is still in development stage, having sought supplier input over a period of time on the most appropriate telephone system solution. This is an iterative process. Following supplier input, officers will now develop the system requirements, a detailed specification will be confirmed and quotes will be obtained. Slippage of £45,000 into the 2018/19 financial year is required to complete the delivery of the new system.

December 2017: An initial meeting and follow up telephone conference with a potential supplier have taken place. The potential supplier will now visit the Council and officers will then develop the system requirements. Following this, a detailed specification will be confirmed and quotes will be obtained. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. If the scheme is not completed by year-end, then any unspent budget will be rolled forward at year-end to support spend in 2018/19.

September 2017: Officers met with a potential supplier in September and are currently awaiting technical feedback on the system requirements. Following this, a detailed specification will be produced and quotes obtained. The implementation timescale will be clearer at detailed specification stage. Given this, completion within the current financial year cannot be estimated with any certainty at this stage.

July/August 2017: Officers are meeting with a potential supplier in September to discuss the options available for a new telephone system. It is hoped that this will provide the information to work up the detailed specification for the scheme. The detailed specification will provide the basis for what we will ask suppliers to quote for and may possibly also lead to some new ways of working. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. The implementation timescale will be clearer at detailed specification stage.

Policy and Finance Committee Individual Scheme Details

Civic suite upgrade

Service Area: Civic Suite

Submitted by: Adrian Harper

Brief Description of the Scheme:

1. Audio, lighting and CCTV:

The audio system is dated and ineffective for members not sat at the top table or for those in the public gallery. The lighting is original and ineffective. The proposal is to install a wireless delegate PA system. This to include individual wireless microphones for all members. The proposal for the lighting is to replace all lighting within the suite, the meeting rooms and the gallery with LED units and upgrade the existing CCTV system for the public gallery.

2. Projector and screen:

The projector is only approximately 7 years old but is outdated and there have been issues recently with reliability and quality. The proposal is to replace the projector with a HD projector together with a new wider 16:10 wall screen.

Revenue Implications:

None – existing service continues.

Timescale for Completion:

May 2017: Contact potential suppliers and request samples and specifications.

July 2017: Consultation with CMT regarding options.

September 2017: Obtain firm quotations and place orders.

November 2017: Commence upgrading works.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2018 £	Variance as at end of September 2018 £
Original Estimate 2018/19	0		
Slippage from 2017/18	27,640		
Total Approved Budget 2018/19	27,640	26,534	-1,106
Actual Expenditure 2017/18	13,510		
ANTICIPATED TOTAL SCHEME COST	40,044		

**Policy and Finance Committee
Individual Scheme Details****Progress – Budget Holder Comments:**

August 2018: SCHEME COMPLETE – Spend has been on the areas that slippage was approved for, namely the audio conferencing system, motorised and other curtains and final electrical work.

March 2018: The work was all planned and ordered in 2017/18, but the following work still required completing at year-end: audio conferencing system installation, motorised curtains, other curtains and a small amount of electrical work. Slippage of £27,640 into the 2018/19 financial year is needed to fund this work.

December 2017: Four quotes have been obtained for the civic suite upgrade equipment sound system, which is the main cost item on this scheme. The sound system from the preferred supplier will be demonstrated to the member task and finish group in mid-January 2018, for their agreement before an order is placed. Work will also be undertaken on new lighting. It is expected that the scheme will be completed by the end of the financial year.

September 2017: Following discussion with potential suppliers the civic suite upgrade scheme and tables and seating renewal scheme are now being procured separately. A preferred supplier will be selected for the Civic Suite upgrade scheme following receipt of quotes, with the aim of completing the scheme within the financial year.

July 2017: The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered and a preferred layout has been confirmed. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.