

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

DECISION

Agenda Item No

meeting date: 7 JANUARY 2020
title: REVISED CAPITAL PROGRAMME 2019/20
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To approve the 2019/20 revised estimate for this Committee's capital programme.

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 needs.
- Other Considerations – none identified.

2 2019/20 CAPITAL PROGRAMME BACKGROUND

2.1 Ten new capital schemes for this Committee's original estimate budget, totalling £1,912,440, were approved by the Special Policy and Finance Committee and Full Council at their meetings in February 2019 and March 2019 respectively.

2.2 In addition to the original estimate budget, the following budget changes have been made so far in 2019/20:

- £2,290 of the 2019/20 budget for the Edisford Sports Complex scheme was moved into 2018/19 to fund early work on that scheme in 2018/19. Thus, £2,290 has been reduced from the 2019/20 budget for the scheme.
- Three capital schemes were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £57,870, is known as slippage. This slippage was transferred into the 2019/20 capital programme budget, after approval by this Committee in May 2019.
- One new scheme, totalling £11,500, was approved by Policy and Finance Committee in April 2019. This is known as an additional approval.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of fourteen schemes is £1,979,520. This is shown at Annex 1.

2.4 Regular reports have been presented to this Committee on progress with the capital programme.

3 REVISING THE 2019/20 CAPITAL PROGRAMME

3.1 We have now discussed each of the schemes in the capital programme with budget holders and revised the programme to reflect their progress and estimated full year expenditure. Following this review, the revised estimate is £1,800,520, a reduction of £179,000 from the total approved budget. The reasons for this are:

- **Edisford Sports Complex (-£138,310):** There are two elements to this reduction in the 2019/20 budget level. Firstly, as reported to this Committee in September 2019, the main element of the works had been tendered and the contract awarded at a lower price than was included in the original estimate. After allowing for contingencies the scheme budget was reduced by £107,430 from £1,430,440 to £1,323,010 to reflect the successful tender and the other associated costs of the scheme. The 2019/20 element of this reduced overall scheme budget was £1,320,720, after allowing for the £2,290 budget used on early work in 2018/19.

Secondly, the main contract is now at practical completion stage and purchase of equipment for the new building will be completed before financial year-end. Despite this, the scheme will not be fully financially complete by 2019/20 financial year-end because the 2.5% retention payment on the main contract, estimated at £30,880, only becomes payable twelve months after the practical completion of the contract work. Therefore, £30,880 of the scheme budget will be moved into 2020/21 to cover this retention payment.

Given the two changes above, it is recommended that the 2019/20 revised estimate for the scheme is set at £1,289,840, which reflects a £138,310 reduction from the total approved budget set, and that £30,880 budget is moved to the 2020/21 financial year.

- **Play Area Improvements 2019/20 (-£28,000):** Plans are being developed to significantly upgrade Kestor Lane play area. The actual budget for the upgrade will be confirmed after detailed plans are developed, but the budget required would be unaffordable from within the 2019/20 scheme budget alone. After taking into account the spend to date and the need to set aside some budget to cover any further in-year refurbishment works, the remaining balance will be earmarked for the Kestor Lane scheme.

Given the above, it is recommended that the Play Area Improvements 2019/20 revised estimate budget is reduced to £12,000 to fund priority work in-year and that £28,000 budget is moved to the 2020/21 financial year, to be used alongside some of the Play Area Improvements 2020/21 budget to fund the Kestor Lane play area upgrade costs.

- **Completed schemes (-£12,690):** The combined actual spend on the nine capital schemes already completed in-year was £12,690 lower than the combined total approved budgets for those schemes.

3.2 Annex 1 shows the full capital programme by scheme, including the budget and expenditure to date. The summary position is shown below.

Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Revised Estimate 2019/20 £	Budget Moved to 2020/21 £	Actual Expenditure including commitments for 2019/20 as at end of November 2019 £
1,912,440	-2,290	57,870	11,500	1,979,520	1,800,520	58,880	1,725,049

3.3 At the end of November 2019 £1,725,049 had been spent or committed. This is 95.8% of the revised capital programme for this Committee.

3.4 Of the fourteen schemes in the capital programme, nine schemes were completed by the end of November 2019.

3.5 Of the other five schemes:

- the Automatic Access Barrier – Edisford River Bank scheme is on-track to be completed in-year;
- the Replacement of CCTV System and Off-Street Car Parks – Upgrade of Payment Systems schemes are currently on-track to be completed in-year, subject to tendering and supplier delivery planned dates being met;
- the work on the Edisford Sports Complex scheme is on-track to be fully completed in-year, but financial completion can only happen in 2020/21, when the contract retention payment is made; and
- the Play Area Improvements 2019/20 scheme will be partly completed in-year, because £28,000 of budget is being moved to 2020/21 to fund Kestor Lane play area upgrade works.

3.6 Progress on the schemes with the largest remaining budgets is as follows:

- **Replacement of CCTV System (-£60,000):** Following specification of the CCTV requirements, the tender documentation is being finalised and tenders are to be requested in early January 2020. The aim is for the scheme to be completed by March 2020, subject to the tender requests being issued as planned and the availability of cameras and equipment at the preferred supplier.

Note - After meeting with the Police and discussion with Corporate Management Team, two additional cameras have been added to the scheme as provisional items. These may be included in the scheme if there is budget available after tenders are returned.

- **Play Area Improvements 2019/20 (-£6,583):** Work to date has been on playgrounds checking and various refurbishment work by Works Administration and Grounds Maintenance teams plus time input from the Amenity Cleansing Manager. This includes refurbishment work identified by the playground assessments after the school summer holidays. Any further work in-year will be focussed on priority refurbishment and improvement works spend required as a result of regular playground assessment checks.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – Approval of the revised capital programme will see a decrease of £179,000 in the level of financing resources needed within the 2019/20 financial year.
- Technical, Environmental and Legal – None.
- Political – None.
- Reputation – Sound financial planning for known capital commitments safeguards the reputation of the Council.
- Equality and Diversity – Equality and Diversity issues are examined as part of the capital bid appraisal process.

5 CONCLUSION

5.1 The proposed revised estimate for this Committee's 2019/20 capital programme is £1,800,520, which is a £179,000 reduction from the previously approved capital budget.

- 5.2 It is recommended that part of the budgets on two schemes, totalling £58,880, are moved to the 2020/21 financial year.
- 5.3 At the end of November 2019 £1,725,049 had been spent or committed. This is 95.8% of the revised capital programme for this Committee.
- 5.4 Of the fourteen schemes in the capital programme:
- nine schemes were completed by the end of November 2019;
 - three schemes are on-track to be completed in-year;
 - work on one scheme is on-track to be completed in-year but full financial completion will take place in 2020/21; and
 - one scheme will be partly completed in-year.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve the 2019/20 revised estimate of £1,800,520 for this Committee's capital programme, as set out in Annex 1.
- 6.2 Approve the move of the following capital budgets from 2019/20 to 2020/21:
- Play Area Improvements 2019/20, £28,000.
 - Edisford Sports Complex, £30,880.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM1-20/AC/AC
13 December 2019

For further background information please ask for Andrew Cook.
BACKGROUND PAPERS – None

COMMUNITY SERVICES COMMITTEE – REVISED CAPITAL PROGRAMME 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Revised Estimate 2019/20 £	Budget Moved to 2020/21 £	Actual Expenditure including commitments for 2019/20 as at end of November 2019 £
PLAYT	Play Area Improvements 2019/20	40,000	0	0	0	40,000	12,000	28,000	5,417
REPWB	Replacement of Refuse Wheelie Bins	10,000	0	0	0	10,000	10,000	0	10,000
RCCTV	Replacement of CCTV System	60,000	0	0	0	60,000	60,000	0	0
RVHNX	Replacement of Refuse Collection Vehicle VU60 HNX	227,000	0	0	0	227,000	224,600	0	224,602
RVTKN	Replacement of Paper Collection Vehicle VU06 TKN	50,000	0	0	0	50,000	51,320	0	51,322
GVGMW	Replacement Gang Mower (rvbc009)	30,000	0	0	0	30,000	24,400	0	24,400
GVBYS	Replacement Mini Tractor with Bucket PN05 BYS	22,000	0	0	0	22,000	18,580	0	18,575
GVJCB	Replacement of JCB Gravemaster Digger (rvbc005)	29,000	0	0	0	29,000	29,400	0	29,400
AABED	Automatic Access Barrier – Edisford River Bank	14,000	0	0	0	14,000	14,000	0	9,589
ESCPX	Edisford Sports Complex	1,430,440	-2,290	0	0	1,428,150	1,289,840	30,880	1,286,873
PLAYS	Play Area Improvements 2018/19	0	0	18,870	0	18,870	18,320	0	18,315
GVKJJ	Replacement Truck (Ford) c/w tail lift PE60 KJJ	0	0	37,500	0	37,500	35,740	0	35,740
CPPAY	Off-Street Car Parks – Update of Payment Systems	0	0	1,500	0	1,500	1,500	0	0
CPHFT	Replacement of Leased Car Parking Van KR16 HFT	0	0	0	11,500	11,500	10,820	0	10,816
Total Community Services Committee		1,912,440	-2,290	57,870	11,500	1,979,520	1,800,520	58,880	1,725,049