

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 5

meeting date: 21 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 Four schemes, totalling £112,200, were approved as this Committee's original estimate capital programme by the Special Policy and Finance Committee and Full Council at their respective meetings in February 2019 and March 2019.

2.2 When the revised estimate budget for the 2018/19 capital programme was approved by this Committee in January 2019, £84,050 of budget on one scheme was moved from the 2018/19 capital programme to the 2019/20 capital programme.

2.3 Three schemes in the 2018/19 capital programme were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £60,950, is known as slippage. This slippage was transferred into the 2019/20 capital programme budget, after approval by this Committee in June 2019.

2.4 In September 2019, this Committee approved additional budget on two schemes in the 2019/20 capital programme. These amounts, totalling £23,340, are known as additional approvals.

2.5 As a result of the above, the total approved budget for this Committee's capital programme of eight schemes was £280,540. This is shown at Annex 1.

2.6 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 proposed revised estimate is £162,720 for seven schemes, which is a reduction of £117,820 from the total approved capital budget. The reasons for this are as follows:

- **Re-Design of Corporate Website (-£30,000):** The scheme has been delayed due to the wider implications of recent accessibility regulations which will affect the redesign of the main corporate website, and also have potential implications for other satellite Council websites. The full impact of the requirements under these regulations will be subject to

discussions with CMT over the coming weeks. Therefore, it will not be possible to complete this work within the current financial year.

It is recommended that the 2019/20 revised estimate for the scheme is set at nil and that this scheme and its budget of £30,000 is moved to the 2020/21 financial year.

- **Replacement PCs (+£10,450):** The current scheme budget of £65,100 includes the cost of replacement PCs and also an upgrade to the CivicaPay system to ensure Windows 10 compatibility is maintained from early 2020 onwards. There are three further IT systems that are now requiring upgrades in early 2020 to ensure Windows 10 compatibility going forwards, namely the Northgate Planning system, the Addtime HR system and the Civica APP scheduling system. The additional cost for these upgrades is £10,450.

This Committee is requested to approve additional budget of £10,450 on this scheme to fund the IT system upgrades required in-year. If approved, £7,400 of the additional budget can be funded from the Capital earmarked reserve and £3,050 can be funded by contributions from the Environmental Health, Housing and Estates 2019/20 revenue budgets.

If the £10,450 additional budget is approved the 2019/20 revised estimate for the scheme will be set at £75,550.

- **Lift replacement at Council Offices (-£78,030):** There are two elements to this net reduction in the 2019/20 budget. Firstly, the scheme budget has been reviewed as part of the revised estimate process. The latest estimate for the full scheme costs is £93,040, with £90,090 of this being the budget required for 2019/20, 2020/21 and 2021/22. This is an estimated increase of £700 from the updated budget approved by this Committee in September 2019, due to higher estimated building regulations and expert consultant costs.

This Committee is requested to approve the additional budget of £700 on this scheme. If approved, the additional budget can be funded from the Capital earmarked reserve.

Secondly, as reported to this Committee in November 2019, the main works on this scheme will now start in March 2020, with completion planned in June 2020. At this stage, it is estimated that £11,360 will be spent on the scheme before the end of this financial year. The remainder of the budget will be spent in 2020/21, save for the main contract retention payment, based on 2.5% of the final contract costs, which cannot be paid until twelve months after the completion of the main work on the contract.

If the £700 additional budget is approved, it is recommended that the 2019/20 revised estimate for the scheme is set at £11,360 and that £78,730 budget is moved to the 2020/21 and 2021/22 financial years.

- **New Council telephone system (-£14,500):** The scheme budget estimate has been re-set, now that we have detailed costings for the new telephone system and the Contact Centre telephone software upgrade. The estimated scheme cost has reduced by £14,500 to £30,500, mainly because the new system uses the Council's current telephony infrastructure rather than it being a replacement of both the telephone system and telephony infrastructure. Therefore, it is recommended that the 2019/20 revised estimate for the scheme is set at £30,500.
- **Completed schemes (-£5,740):** The combined actual spend on the two capital schemes already completed in-year was £5,740 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 December 2019 £
112,200	84,050	60,950	23,340	280,540	162,720	108,730	116,820

3.3 At the end of December 2019 £116,820 had been spent or committed. This is 71.8% of the revised capital programme budget for this Committee.

3.4 The Corporate Firewall and Queensway Garages schemes have been completed.

3.5 At this stage, the Committee Administration IT System, Replacement PCs, Financial System Upgrade and New Council Telephone System schemes are on-track to be completed in-year.

3.6 The Lift Replacement at Council Offices scheme will be in progress at year-end and is planned to be completed in 2020/21.

3.7 Progress on the schemes with the largest remaining 2019/20 budgets is as follows:

- **Committee Administration IT System (-£7,600):** Mod Gov system installation and training has been ordered. The system is to be installed in January 2020. Full implementation of the system, including training, and purchase of associated hardware is planned to be completed by March 2020.
- **Replacement PCs (-£12,730):** The replacement PCs work is already substantially complete and will be fully complete in-year. With regard to the IT systems updates to ensure Windows compatibility, the Civica APP and Addtime upgrades are complete, the CivicaPay upgrade is partially complete and the Northgate Planning system upgrade has not yet started. At this stage, it is planned for the CivicaPay and Northgate Planning upgrades to be completed by March 2020, but this is dependent on the availability of IT supplier consultant input before the end of March 2020.
- **Lift replacement at Council Offices (-£9,291):** Preparatory works are being undertaken in January and February 2020, before the start of the main works in March 2020. The remaining budget for 2019/20 is estimated to be spent on preliminary contract works, building regulations fees and expert consultant costs.
- **New Council telephone system (-£13,511):** Preparatory work is in progress for the new telephone system installation and the Contact Centre telephone software upgrade to be completed at the same time in February 2020, subject to final dates being confirmed with the suppliers. Staff training will then take place immediately after installation, which will complete the scheme.

#### 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 £117,820 in the level of financing resources needed in 2019/20 and £108,730 of capital financing resources will be moved into 2020/21.

- 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 £162,720 for seven schemes, which is a reduction of £117,820 from the previously approved capital budget.
- 5.2 The proposed revised estimate includes proposed additional budgets of £11,150 on two schemes, which can be funded by earmarked reserves and contributions from revenue budgets, and it is proposed that budgets on two schemes, totalling £108,730, are moved to the 2020/21 financial year.
- 5.3 At the end of December 2019 £116,820 had been spent or committed. This is 71.8% of the revised capital programme budget for this Committee.
- 5.4 Of the seven schemes in the proposed revised capital programme, two schemes have already been completed, four schemes are currently on-track to be completed in-year and one scheme will be in progress at year-end.

## 6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve additional budget of £10,450 on the Replacement PCs scheme, to be funded by £7,400 from Capital earmarked reserve and £3,050 from contributions from Environmental Health, Housing and Estates 2019/20 revenue budgets.
- 6.2 Approve additional budget of £700 on the Lift replacement at Council Offices scheme, to be funded by £700 from Capital earmarked reserve.
- 6.3 Approve the 2019/20 revised estimate of £162,720 for this Committee's capital programme, as set out in Annex 1.
- 6.4 Approve the move of the following capital budgets from 2019/20 to 2020/21:
- Re-Design of Corporate Website, £30,000.
  - Lift replacement at Council Offices, £78,730.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF8-20/AC/AC  
10 January 2020

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

## POLICY AND FINANCE 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 December 2019 £
COWEB	Re-Design of Corporate Website	30,000	0	0	0	30,000	0	30,000	0
COFIR	Corporate Firewall	15,000	0	0	0	15,000	10,860	0	10,855
COADM	Committee Administration IT System	20,100	0	0	0	20,100	20,100	0	12,500
REPPC	Replacement PCs	47,100	0	0	18,000	65,100	75,550	0	62,820
COLFT	Lift replacement at Council Offices	0	84,050	0	5,340	89,390	11,360	78,730	2,069
QGARR	Queensway Garages – replace roof covering and repairs	0	0	1,830	0	1,830	230	0	228
CFUPG	Financial system upgrade	0	0	14,120	0	14,120	14,120	0	11,359
PHONE	New Council telephone system	0	0	45,000	0	45,000	30,500	0	16,989
<b>Total Policy and Finance Committee</b>		<b>112,200</b>	<b>84,050</b>	<b>60,950</b>	<b>23,340</b>	<b>280,540</b>	<b>162,720</b>	<b>108,730</b>	<b>116,820</b>