



## Policy and Resources Committee 11 July 2016

### Capital Programme 2016-17

#### Purpose of report

To request authorisation to add a new project to the Approved Capital Programme.

#### Attachment(s):

Appendix 1 – Current Capital Programme 2016-17 (revised)

Appendix 2 – Capital Expenditure Request Form

#### 1. Introduction

- 1.1. The main aim of the Capital Programme 2016/17 to 2025/26 is to set out a programme which is affordable, ensures business continuity for the council's services and enables investment in council priorities.
- 1.2. The programme is also focussed on meeting statutory obligations and investing in assets to improve revenue income streams to the council.
- 1.3. Following approval by Council, Finance Sub Committee has responsibility for monitoring and controlling the annual development pool and capital programme, which includes approving the transfer of projects from the development pool into the main capital programme (subject to their inclusion in the development pool being previously agreed by Council).
- 1.4. The current Capital Programme was approved at Council on 24 February 2016 with further approval for the transfer of £125k for ICT licences from the development pool into the approved capital programme by the Finance Sub-Committee at its meeting on 13 June 2016. The latest version of the Capital Programme can be seen in Appendix 1.

#### 2. Repairs to Sand Filters at the Nene Centre

- 2.1. The Nene Centre has two sand filters which are responsible for ensuring the water quality of the pool. One of the filters is currently out of service and requires urgent repair.
- 2.2. The cost of the repairs is dependent on the extent of works required which cannot be determined in full until the filter is removed and the cause of failure is investigated.
- 2.3. Two quotes have been received to date with the cheapest quoting a maximum of £28,218. In order to comply with procurement regulations, a third quote is currently being obtained.
- 2.4. These repairs were not identified at the time of setting the capital programme and therefore this is an additional cost to the council. Further details on this project can be seen in **Appendix 2**.
- 2.5. It is proposed these repair costs are funded from the within the existing revenue budget for the management fee (£125,000) this year. This will be treated as a revenue contribution to capital expenditure.
- 2.6. The following table summarises the impact of the changes to the Capital Programme if the request is approved. The table includes the changes recommended to be

approved by Finance Sub-Committee on 13 June and is subject to approval by Policy and Resources Committee on 11 July 2016.

<b>Approved Capital Programme</b>	<b>2016/17 Original Budget £</b>	<b>2016/17 Changes £</b>	<b>2016/17 Revised Budget £</b>
<b>Housing Projects</b>	500,000	176,969	676,969
<b>Leisure and Tourism Projects</b>	119,000	28,218	147,218
<b>Environment Projects</b>	270,000	-	270,000
<b>Corporate Systems</b>	-	438,809	438,809
<b>Essential Property maintenance</b>		950	950
<b>Total</b>	<b>889,000</b>	<b>644,946</b>	<b>1,533,946</b>
<b>Development Pool</b>	<b>Original Pool £</b>	<b>Changes £</b>	<b>Revised Pool £</b>
Leisure and Tourism Projects	210,500	-	210,500
Central Services Projects	30,000	-	30,000
Corporate Systems	567,005	(125,000)	442,005
Essential Property Maintenance	275,000	-	275,000
<b>Total</b>	<b>1,082,505</b>	<b>(125,000)</b>	<b>957,505</b>

2.7. Members are asked to note the revised Capital Programme for 2016/17 should approval be given.

### **3. Equality and Diversity Implications**

3.1. There are no known equality issues arising from this report.

### **4. Legal Implications**

4.1. There are no known legal implications arising from this report.

### **5. Risk Management**

5.1. The risks arising from this report are set out in the report and Appendix 2.

### **6. Resource and Financial Implications**

6.1. This report is of a financial nature and the implications are set out within the report.

### **7. Constitutional Implications**

7.1. There are no constitutional implications arising from this report.

### **8. Customer Service Implications**

8.1. This report is of a financial nature. However, the implications on provision of leisure services to customers and visitors to the leisure centres should be noted. Repair works will be carried out with as little disruption to customers as possible. The implications for the health and safety of customers if repair works are not carried are of greater concern and therefore some disruption to provision of services is acceptable if it proves unavoidable.

### **9. Corporate Outcomes**

9.1. This report links to the following Corporate Outcomes:

- a) **Effective Management**  
*Monitoring of the Capital Programme allows the council to manage and review its financial performance, contributing to the effective management of the council.*
- b) **Good Value for Money**  
*This report demonstrates the cost of services provided, which contributes to this corporate outcome.*

**10. Recommendations**

10.1. The Policy & Resources Committee is asked to:

- i. **Resolve to Recommend** to Council the additional cost of the repairs to the Nene Centre sand filters (up to a maximum of £28,218) to the Approved Capital Programme and note the changes shown in the revised Capital Programme (section 2.6).
- ii. Approve the use of the management fee budget to cover the repairs to the sand filters (as set out in section 2.5 up to a maximum of £28,218)
- iii. Delegate decision-making to the Head of Environmental Services, in consultation with the Chairman or Vice-Chairman of Policy and Resources Committee on the final cost of works required following review of the third quote and then on review of actual works carried out up to the maximum of £28,218.

*(Reason – for formal approval of amendments to both revenue and capital budgets for 2016/17)*

<b>Legal</b>	Power:				
	Other considerations:				
<b>Background Papers:</b>					
<b>Person Originating Report:</b> Michelle Drewery, Finance Manager <a href="mailto:mdrewery@east-northamptonshire.gov.uk">mdrewery@east-northamptonshire.gov.uk</a>					
<b>Date: 27.06.2016</b>					
<b>CFO</b>		<b>MO</b>		<b>CX</b>	

(Committee Report Normal Rev. 22)

Approved Capital Programme	2016/17				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total 2016/17 to 2025/26
	Original Budget	B/Fwd	Approved within year	Current Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate		
	£	£	£	£	£	£	£	£	£	£	£	£		
Housing Projects	500,000	176,969	-	676,969	-	-	-	-	-	-	-	-	-	676,969
Leisure and Tourism Projects	119,000	-	-	119,000	-	-	-	-	-	-	-	-	-	119,000
Environment Projects	270,000	-	-	270,000	-	-	-	-	-	-	-	-	-	270,000
Corporate Systems	-	313,809	125,000	438,809	-	-	-	-	-	-	-	-	-	438,809
Essential Property Maintenance	-	950	-	950	-	-	-	-	-	-	-	-	-	950
<b>Total</b>	<b>889,000</b>	<b>491,728</b>	<b>125,000</b>	<b>1,505,728</b>	-	-	-	-	-	-	-	-	-	<b>1,505,728</b>

Approved Capital Project	2016/17				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total 2016/17 to 2025/26
	Original Budget	B/Fwd	Approved within year	Current Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate		
	£	£	£	£	£	£	£	£	£	£	£	£		
Disabled Facilities Grants	500,000	176,969	-	676,969	-	-	-	-	-	-	-	-	-	676,969
Purchase of Wheeled Bins	270,000	-	-	270,000	-	-	-	-	-	-	-	-	-	270,000
Stanwick Lakes - Infrastructure	119,000	-	-	119,000	-	-	-	-	-	-	-	-	-	119,000
EDRMS - Planning Portal/RKYV	-	36,000	-	36,000	-	-	-	-	-	-	-	-	-	36,000
PC'S, Monitors & Laptops	-	12,160	-	12,160	-	-	-	-	-	-	-	-	-	12,160
Replacement Printers & Scanners	-	4,194	-	4,194	-	-	-	-	-	-	-	-	-	4,194
Data Infrastructure Equipment	-	62,000	-	62,000	-	-	-	-	-	-	-	-	-	62,000
Licences	-	16,535	125,000	141,535	-	-	-	-	-	-	-	-	-	141,535
Security Systems	-	7,283	-	7,283	-	-	-	-	-	-	-	-	-	7,283
CRM Upgrades	-	70,000	-	70,000	-	-	-	-	-	-	-	-	-	70,000
ICT Service Desk	-	30,000	-	30,000	-	-	-	-	-	-	-	-	-	30,000
SQL Consolidation	-	28,000	-	28,000	-	-	-	-	-	-	-	-	-	28,000
Mobile working	-	20,236	-	20,236	-	-	-	-	-	-	-	-	-	20,236
Replacement Hardware	-	9,968	-	9,968	-	-	-	-	-	-	-	-	-	9,968
Exchange Upgrade	-	17,433	-	17,433	-	-	-	-	-	-	-	-	-	17,433
Kingsmead Industrial Estate	-	950	-	950	-	-	-	-	-	-	-	-	-	950
<b>Total</b>	<b>889,000</b>	<b>491,728</b>	<b>125,000</b>	<b>1,505,728</b>	-	-	-	-	-	-	-	-	-	<b>1,505,728</b>

Development Pool	2016/17				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total 2016/17 to 2025/26
	B/Fwd	Approved within year	2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate		
	£	£	£	£	£	£	£	£	£	£	£	£		
Housing Projects	-	-	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,500,000
Leisure and Tourism Projects	210,500	-	210,500	10,000	-	-	-	-	-	-	-	-	-	220,500
Environment Projects	-	-	-	270,000	80,000	96,600	80,000	96,600	80,000	96,600	80,000	80,000	80,000	959,800
Central Services Projects	30,000	-	30,000	-	-	24,000	20,000	30,000	-	-	-	-	-	104,000
Corporate Systems	567,005	(125,000)	442,005	293,000	210,000	276,000	300,000	270,000	445,000	160,000	176,000	160,000	160,000	2,732,005
Essential Property Maintenance	275,000	-	275,000	75,000	385,000	110,000	110,000	70,000	80,000	80,000	100,000	365,000	365,000	1,650,000
Vehicle Replacements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,082,505</b>	<b>(125,000)</b>	<b>957,505</b>	<b>1,148,000</b>	<b>1,175,000</b>	<b>1,006,600</b>	<b>1,010,000</b>	<b>966,600</b>	<b>1,105,000</b>	<b>836,600</b>	<b>856,000</b>	<b>1,105,000</b>	<b>1,105,000</b>	<b>9,208,800</b>

Development Pool	2016/17		2015/16	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total 2016/17 to 2025/26 £	
	B/Fwd	Approved within year	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate			
	£	£	£	£	£	£	£	£	£	£	£			
Disabled Facilities Grants				500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,500,000	
<b>Contractual</b>													-	
Stanwick Lakes - Infrastructure			-	25,000	65,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	580,000	
Purchase of Wheeled Bins			-	270,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	910,000	
<b>Business Critical</b>													-	
AMP - Pemberton Centre	143,000		143,000	10,000									153,000	
AMP - Nene Centre	12,000		12,000										12,000	
AMP - Splash Centre	55,500		55,500										55,500	
AMP - Rushden Centre	50,000		50,000				30,000			30,000			110,000	
AMP - East Northamptonshire House	155,000		155,000	10,000	10,000	30,000	10,000		10,000			285,000	510,000	
AMP - Industrial Units	30,000		30,000	30,000	300,000								360,000	
AMP - Polebrook Cemeteries	-		-	10,000		10,000			10,000			10,000	40,000	
AMP - Village Drains	10,000		10,000										10,000	
AMP - Public Car Parks	30,000		30,000		10,000								40,000	
Print Room Asset Management	30,000		30,000			24,000	20,000	30,000					104,000	
Replacement Dog Warden Vans			-			16,600		16,600		16,600			49,800	
PC'S, Monitors & Laptops	30,000		30,000	23,000	35,000	35,000	15,000	15,000	15,000	15,000	15,000	15,000	213,000	
Data Infrastructure Equipment	64,000		64,000	10,000	10,000	10,000	100,000	10,000	10,000	10,000	10,000	10,000	244,000	
Security Systems	19,005		19,005	10,000	10,000	10,000	10,000	10,000	10,000				79,005	
Licences	125,000	(125,000)	-	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,125,000	
DR/Business Continuity	15,000		15,000					40,000	40,000				95,000	
Printers & Scanners			-	20,000		16,000			20,000		16,000		72,000	
Servers	20,000		20,000	80,000	10,000	10,000	10,000	10,000	80,000	10,000	10,000	10,000	250,000	
Upgrade for Uninterrupted Power Supply to server room (UPS for L12)			-	25,000									25,000	
Storage/Replacement SAN	64,000		64,000	-	-	10,000	10,000	60,000	-				144,000	
Upgrade Public Access and TLC systems (CAPS Solutions/ERMS)			-	-	20,000	-	30,000	-	35,000				85,000	
CRM Upgrades			-	-		25,000							25,000	
Telephone System	30,000		30,000	-		25,000		-					55,000	
ESRI - GIS Upgrade	25,000		25,000			10,000			70,000				105,000	
Oracle Licensing & Physical servers	50,000		50,000		-				40,000				90,000	
Data Centre Upgrade	85,000		85,000										85,000	
Replacement Finance System	40,000		40,000										40,000	
<b>Total</b>	<b>1,082,505</b>	<b>-</b>	<b>(125,000)</b>	<b>957,505</b>	<b>1,148,000</b>	<b>1,175,000</b>	<b>1,006,600</b>	<b>1,010,000</b>	<b>966,600</b>	<b>1,105,000</b>	<b>836,600</b>	<b>856,000</b>	<b>1,105,000</b>	<b>10,166,305</b>
<b>Total Approved Programme and Development Pool</b>	<b>1,971,505</b>	<b>491,728</b>	<b>-</b>	<b>2,463,233</b>	<b>1,148,000</b>	<b>1,175,000</b>	<b>1,006,600</b>	<b>1,010,000</b>	<b>966,600</b>	<b>1,105,000</b>	<b>836,600</b>	<b>856,000</b>	<b>1,105,000</b>	<b>11,672,033</b>

# EAST NORTHAMPTONSHIRE COUNCIL CAPITAL EXPENDITURE REQUEST FORM

## Project Information

<b>Project Name:</b>	Nene Centre - Repairs to Sand Filters	
<b>Head of Service:</b>	Mike Deacon	CapEx Reference number: <input type="text"/> (to be completed by Finance)
<b>Contact/Officer leading project:</b>	Richard Hankins	Statutory required Project: <input type="text" value="No"/> (Please select from drop down menu)
<b>Estimated project cost (£):</b>	£31,040	Invest to Save Project: <input type="text" value="No"/> (Please select from drop down menu)
<b>Project Preferred Start Date:</b>	ASAP	Project Preferred End Date: <input type="text" value="01 August 2016"/>
<b>Submitted by:</b>	Michelle Drewery	Date submitted: <input type="text" value="28 June 2016"/>

### Brief project description:

(NB: to start a new line within the box please press the Alt and enter buttons on your keyboard)

The Nene Centre has two sand filters which are responsible for ensuring the water quality of the pool. A recent independent inspection of the filters has resulted in one being taken out of service due to there being an insufficient amount of sand in the filter. The sand filter is in need of urgent repair so it can be reinstated. If the other filter fails then the pool would have to be closed with immediate effect. These repairs were not identified at the time of setting the capital programme and therefore this is an additional cost to the council. It is proposed these repair costs are funded from the within the existing budget for the management fee (£125,000) this year. The reason for the failure of the filter cannot be established until the filter is completely emptied. It is proposed that the company identified to do the works will fully investigate and repair the filter at the same time. The quote is based on all works needing to be completed. The cost could be lower if all works are not required but this cannot be established until the filter has been completely emptied.

### Business Continuity Risk:

(Please select from drop down menu)

### Project Objective/Outcome:

(NB: to start a new line within the box please press the Alt and enter buttons on your keyboard)

To carry out repairs to the filter as soon as possible to minimise risk of closure to the pool.  
To work with Aspirations and the contractor to ensure minimum disruption to the provision of leisure services.

# EAST NORTHAMPTONSHIRE COUNCIL CAPITAL EXPENDITURE REQUEST FORM

## Financial Information

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total:
<b>Capital Expenditure (£) :</b>	£28,218										£28,218

**Project Funding (£):**

Grant:											£0
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S106:											£0
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Revenue Contribution:	£28,218										£28,218
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Reserves:											£0
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Borrowing:											£0
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**Assets:**

Asset Type:

Plant/Machinery

  
(Please select from drop down menu)

Life of Asset (Years):

5

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total:
<b>Loss of interest (Reserves):</b>	£282	£282	£282	£282	£282	£282	£282	£282	£282	£282	£2,822

<b>Interest Charge (Borrowing):</b>	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
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<b>Minimum Reserve Provision (MRP):</b>	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
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<b>Total Impact on Revenue:</b>	£282	£282	£282	£282	£282	£282	£282	£282	£282	£282	£2,822
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<b>On-going Revenue costs:</b>											£0
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<b>On-going Revenue (savings):</b>											£0
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**Description of Revenue costs/(savings):**

**Revenue Cost Centre:**

	/				/	
	/				/	
	/				/	

**Total cost to Authority: £31,040**

## EAST NORTHAMPTONSHIRE COUNCIL CAPITAL EXPENDITURE REQUEST FORM

### Sunk costs:

Please identify any costs already incurred to progress the proposed scheme to this stage.

Description	Cost centre	Internally funded	Externally funded	2014/15	2015/16	2016/17	Total: £
							£0
							£0
							£0
							£0
							£0
<b>Total:</b>		£0	£0	£0	£0	£0	£0

### Efficiencies & Savings - Non-cashable

Please identify any efficiencies and savings associated with the scheme that are non-cashable along with an estimate of timeframes you expect them to be realised.

Non-cashable efficiencies and savings are attributable to the scheme but which cannot be cashed.

Please indicate if the efficiencies and savings are one-off and the year in which you expect them to be realised.

Description	On-off saving	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Future Years	Total: £
								£0
								£0
								£0
								£0
								£0
		£0	£0	£0	£0	£0	£0	£0

### Net Present Value (NPV):

Compares the present value of money today to the present value of money in future, taking inflation and returns into account.

£26,128

### Payback:

The period of time required for the return on investment to "repay" the sum of the original investment.

0



# EAST NORTHAMPTONSHIRE COUNCIL CAPITAL EXPENDITURE REQUEST FORM

## Corporate Information

**Corporate Priorities:**

Please select from the drop down menus the Council's Corporate Priority perspectives that the project will meet:

**Improvement for the Community**


**Effective Processes**


**How we learn and grow**


**Risk Assessment:**

Please select scores from the drop down menus.

To assist you with your scoring, please refer to Impact Descriptors and Likelihood Descriptors within the Guidance Notes.

**Please identify any project risks:**

	Description:	Impact Score	Likelihood Score	Risk Exposure
1	Closure of pool due to failure of other filter	3	3	9
2	Works delayed due to contractor availability	3	2	6
3	Threat to health of pool users from untreated or inadequately treated water	3	3	9
4				0
5				0
6				0

## EAST NORTHAMPTONSHIRE COUNCIL CAPITAL EXPENDITURE REQUEST FORM

**Options appraised:**

Please provide details of any options already appraised giving reasons why they are not the preferred option.

**Challenges:**

Please provide details of any challenges to implementation and benefits realisations that you feel are likely

Getting contractors on site as there is currently an 8 week wait. Also, risk is that working filter could fail at any time which will mean closure of the pool.

**Assumptions:**

Please provide details of any assumption that have been made but not covered in the application so far.

**Organisational Capacity/Capability to deliver:**

Please provide brief details of what has been done to ensure that the Council has the capacity/capability to carry out the project.

Have been liaising with Aspirations Wellbeing to ensure that works can be progressed at the earliest opportunity.

**Sign off:**

You will need to ensure that the project is signed off at each approval stage:

Sign-off:	Name:	Signature:	Date:
Head of Service:	Mike Deacon		
Chief Finance Officer:	Michelle Drewery		
Finance Sub-Committee:			
Policy & Resource Committee:			

**Entered on to Capital Programme:**

Date: