

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 12

meeting date: 7 AUGUST 2012
 title: CAPITAL MONITORING 2012/13
 submitted by: DIRECTOR OF RESOURCES
 principal author: NEIL SANDIFORD

1 PURPOSE

- 1.1 The purpose of this report is to provide Committee with information relating to the progress of the approved capital programme for this year. Slippage from the previous year is also reported.
- 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 Members approved the proposals for the new capital programme as part of the budget setting process at its meeting in January. The programme was set against a background of limited capital resources and contracting revenue budgets.
- 2.2 In total two new schemes were approved at the meeting of Special Policy and Finance Committee and Full Council. This gave a total planned capital spend for this Committee for the current year of £125,000, which is shown at Annex 1.
- 2.3 In addition, not all planned expenditure for last year was spent. The balance of this, which is known as slippage, has been transferred to this financial year. The schemes affected are also shown at Annex 1 and total £96,280.

3 SCHEMES

3.1 The table below summarises the total approved programme together with actual expenditure to date. Annex 1 shows the full programme by scheme along with the budget and expenditure to date.

BUDGET			EXPENDITURE	
Original Estimate 2012/12 £	Slippage from 2011/12 £	Total Approved Budget £	Actual Expenditure as at end June 2012 £	Variance as at end June 2012 £
125,000	96,280	221,280	93,371	-127,909

3.2 To date 42% of the annual capital programme for this Committee has been spent or committed. Comments on the progress of each scheme to date is shown at Annex 2.

3.3 In summary reasons for the main variations to date are:

- SVNET: Server and Network Infrastructure: *To date quotes for the host software have been received and quotes relating to the host server are being sought.*
- ECDVI: Economic Development Initiatives: *Initial discussions have been held with relevant landowners and the District Valuer has been instructed to prepare valuation advice on potential sites. The Asset Management Group has considered the site options and once an option has been agreed expenditure will be required on pre-acquisition and due diligence processes.*

4. CONCLUSION

4.1 No expenditure on the new capital schemes approved for 2012/13 has been incurred to date. Progress is however being made on both schemes and it is anticipated that expenditure will be incurred during the next quarter.

TECHNICAL ACCOUNTANT

DIRECTOR OF RESOURCES

PF46-12/NS/AC
27 July 2012

BACKGROUND PAPERS – None

For further background information please ask for Neil Sandiford extension 4498

Policy and Finance Committee – Capital Programme 2012/13

ANNEX 1

Cost Centre	Schemes	Original Estimate 2012/13 £	Slippage £	Total Approved Budget £	Actual Expenditure £	Variation to Date £
CCCRM	Contact Centre Customer Relationship Management		3,900	3,900	4,000	100
CSTSR	Customer Facing Service Remodelling		68,100	68,100	60,112	-7,988
ECDVI	Economic Development Initiatives	100,000		100,000	0	-100,000
GALTI	Platform Gallery/Tourist Information Remodelling		24,280	24,280	29,259	4,979
SVNET	Server and Network Infrastructure	25,000		25,000	0	-25,000
	Total Policy and Finance Committee	125,000	96,280	221,280	93,371	-127,909

Individual Scheme Details and Budget Holder Comments

CCCRM Contact Centre Customer Relationship Management

Service Area: Revenues and Benefits

Head of Service: Mark Edmondson

Brief Description:

To identify and install a customer management system as a replacement to the one currently used in conjunction with Lancashire County Council

Start Date, duration and key milestones:

Start Date – April 2011

Original Anticipated Completion Date – December 2011

Financial Implications – CAPITAL

	£	Actual to end June £	Variance to end June £
Total Approved Budget 2012/13	3,900	4,000	100
Actual Expenditure 2011/12	24,259		
ANTICIPATED TOTAL SCHEME COST	28,159		

Financial Implications – REVENUE

There will be revenue savings of £34,000 associated with this scheme from 2012/13.

Useful Economic Life

10 years

Progress - Budget Holder Comments

June 2012: Part of the capital cost of this scheme related to training that was required to implement and make best use of the system. As the timescales for implementation were extremely tight we weren't able to complete all of the training prior to the implementation of the new system in December last year. A provision was made to carry the balance forward to this year to enable it to be completed. This training relates to the IT side of the system and a training session has been scheduled to take place in early August 2012, which will reduce the budget balance. Further training sessions will be held at a later date.

October 2011: Contractors have been chosen and orders placed. Completion is anticipated by the end of November 2011. The budget is overspent, as the estimate is slightly less than the contractor's costs. There will be further costs of £800 to be added to the final account as switching from one system to the new supplier will require a specialist technical input which was not predicted at the time the budget was developed.

July 2011: A preferred supplier will be chosen shortly and a purchase order issued. Completion is expected this financial year.

Policy and Finance Committee - Capital Programme 2012/13

CSTSR Customer Facing Service Remodelling

Service Area: Engineering Services

Head of Service: Terry Longden

Brief Description:

Consolidation of reception provision, creating a single area where a range of services can be accessed, and where members of staff can operate in a customer facing capacity in a range of private and semi-private areas.

Start Date, duration and key milestones:

Start Date – January 2012

Anticipated Completion Date – August 2012

Financial Implications – CAPITAL

	£	Actual to end June £	Variance to end June £
Total Approved Budget 2012/13	68,100	60,112	-7,988
Actual Expenditure 2011/12	6,026		
ANTICIPATED TOTAL SCHEME COST	74,126		

Financial Implications – REVENUE

This is an invest to save scheme, which will generate revenue savings

Useful Economic Life

20 years

Progress - Budget Holder Comments

June 2012: It is anticipated that works will be completed at the beginning of August on the Level B work. Whilst work on moving the cashier service took longer than expected due to ensuring continuity of service and security, the remaining phases of work have been completed in a shorter timescale than anticipated.

ECDVI Economic Development Initiatives

Service Area: Regeneration and Economic Development

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 scheme 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, this scheme allows the undertaking of works in areas such as valuation and feasibility assessments, due diligence, initial planning and design work.

Start Date, duration and key milestones:

The project will be implemented from April 2012 onwards. Key milestones will depend upon the individual projects developed.

Financial Implications – CAPITAL

	£	Actual to end June £	Variance to end June £
Total Approved Budget 2012/13	100,000	0	-100,000
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

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 the options are determined. Expenditure will be required on feasibility reports once an option is agreed and on pre-acquisition and due diligence processes.

Policy and Finance Committee - Capital Programme 2012/13

GALTI Platform Gallery and Tourist Information Remodelling

Service Area: Engineering Services

Head of Service: Terry Longden

Brief Description:

Relocation of the Tourist Information Service to the Platform Gallery, with physical changes to the building in order to fulfill its role as a combined galley and information centre.

Start Date, duration and key milestones:

Start Date – January 2012

Anticipated Completion Date – May 2012

Financial Implications – CAPITAL

	£	Actual to end June £	Variance to end June £
Total Approved Budget 2012/13	24,280	29,259	4,979
Actual Expenditure 2011/12	1,593		
ANTICIPATED TOTAL SCHEME COST	25,873		

Financial Implications – REVENUE

The combined service will generate substantial savings particularly through staffing efficiencies.

Useful Economic Life

20 years

Progress - Budget Holder Comments

June 2012: Work on the gallery and information centre has been completed and the facility opened to the public within anticipated timescales. The new facility has been warmly welcomed by visitors and staff alike.

Policy and Finance Committee - Capital Programme 2012/13

SVNET Server and Network Infrastructure

Service Area: Financial Services (ICT)

Head of Service: Lawson Oddie

Brief Description:

To consolidate and replace the Council's ageing servers and network switches. At the time of replacement, greener, more efficient and up to date technology will be taken full advantage of.

Start Date, duration and key milestones:

Start Date: April 2012

Key Tasks: Implementation of VM Solution, Migration of first servers, installation of Layer 3 Switch and Vlan Network, replace ageing Layer 2 Switches.

Financial Implications – CAPITAL

	£	Actual to end June £	Variance to end June £
Total Approved Budget 2012/13	25,000	0	-25,000
ANTICIPATED TOTAL SCHEME COST	25,000		

Financial Implications – REVENUE

There will be some energy savings, however it is difficult to quantify with any accuracy.

Useful Economic Life

5 to 7 years.

Progress - Budget Holder Comments

June 2012: The specification has been sent out for the Host Server and we are currently awaiting return of supplier quotes. The VM Ware quotes have now been received and are currently being reviewed prior to ordering.