

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Corporate Services

Council: 21 December 2011

Subject: General Services Capital Budgetary Control Report to 30 September 2011 (Period 6)

1. Purpose

- 1.1 The purpose of this report is to update Members on the General Services Capital Plan for 2011/12.

2. Background

- 2.1 The revised Capital Plan for 2011/12 was reported to Council on 26 October 2011 with an updated planned spend of £22.427m.

3. Main Issues

- 3.1 Since Council on 26 October 2011 there have been new resources identified within Housing, Environmental and Economic Development and Educational Services which have a nil effect on the net capital budget. In addition a new capital budget has been approved by the Chief Executive under delegated powers. The budgets affected are noted below:

Funding agreed by Council 26 October 2011	£22.427m
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Earmarked Revenue Funded Projects

Modernisation Fund	£1.310m
Spend to Save	£0.475m

New Contribution/Grant Funded Projects

SPT	£0.095m
Transport Scotland	£0.042m
Scottish Libraries & Information Council	£0.017m
External Funders re Clydebank Museum	£0.096m

New Capital Budget

Clydebank Museum	£0.031m
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Revised capital plan	£24.493m
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- 3.2 The modernisation fund was identified and agreed by Members on 28 April 2010 and is used to support both revenue and capital projects that will lead to business transformation. To date the following capital projects have been identified as appropriate to be funded from this resource:

- (a) Wind Turbines (£0.920m) – Members agreed that a detailed implementation plan should be developed regarding this project which fully explores the future options around the value generated from the project, which may be in the form of a capital receipt, or in the form of an ongoing revenue funding stream.
- (b) Education Offices Alterations (£0.075m) – Alteration work required facilitating office rationalisation.
- (c) Cash Kiosks (£0.055m) – Members approval was granted in May 2010 to commence a specification and tendering exercise for the procurement of automated remittance payment kiosks which will contribute to the reduction of the costs of cash collection while at the same time providing an enhanced level of cash collection services offered by the Council.
- (d) Registration Offices Alterations (£0.050m) – Alteration work required facilitating office rationalisation.
- (e) Cashless Catering (£0.060m) – The provision of a cashless catering system across all primary schools has a number of benefits including the provision of enhanced management information electronically and the offer of additional payment options for parents and children.
- (f) Building Cleaning (£0.150m) – The provision of modern cleaning equipment within large premises has a number of benefits including enhanced service provision to customers.

3.3 The spend to save budget was approved by Members on 31 August 2011 and is funded from additional supporting people funding received and noted by Members on 30 March 2011. To date the following capital projects have been identified as appropriate to be funded from this resource:

- (a) Commercial Waste Management IT software procurement (£0.027m) – The procurement of this software will permit the Council to offer chargeable collections of dry recycle and food waste to commercial waste customers.
- (b) Install Building Energy Management system in Meadow Centre (£0.030m) - The provision of a building management system in the Meadow Centre will assist in controlling heating and ventilation systems within the premises. This is likely to result in energy efficiencies in the future.
- (c) E-Building Standards (£0.050m) - Allow applications for development to be submitted quickly and the proposals to be considered and issued more efficiently.
- (d) Upgrading Energy Management System (£0.034m) - Improves heating controls in properties, may also prolong life of plant/equipment as a result

3.4 The New Contribution/Grant Funded Projects identified at 3.1 above relate to the following projects:

- (a) Additional SPT funding awarded to the Council relates to works at Balloch bus terminus.
- (b) New funding has been awarded by Transport Scotland to fund the cost of an electric van.
- (c) New funding has been awarded by Scottish Libraries & Information Council to facilitate community participation in digital inclusion.

3.5 Details regarding refurbishment works to Clydebank Museum were reported to the Corporate Cultural Sub-Committee on 3 October 2011 where Members were advised that Libraries and Museums were exploring external funding opportunities with the Heritage Lottery Fund, Awards for All, Museums Galleries Scotland and Creative Scotland. In the current economic climate it is increasingly difficult to gain external funding without a significant amount of internal funding to match-fund, therefore Educational Services have made provision to vire £0.030m from internal upgrades (as detailed in Appendix C) and new budget provision of £0.031m has been approved by the Chief Executive under delegated powers.

3.6 Appendix A details the current forecast for resources and expenditure (both totalling £24.493m).

3.7 Appendix B details the funding allocations, summarises expenditure to date totalling £4.707m and lists the major projects estimated to cost £0.100m and over. When compared to the profiled budget of £4.648m, this indicates an overspend position currently of £0.059m (1.27% of the year to date budget).

3.8 Appendix C details a number of virement requests that have been incorporated into the revised capital plan within Education and Housing Environmental and Economic Development. The virement requests have arisen due to the following:

- (a) Additional works are required to be carried out to the town hall in relation to asbestos works of approximately £0.350m as reported to Members of the Housing, Environmental and Economic Development Committee on 2 November 2011.
- (b) Identification of £0.030m funding required in relation to the refurbishment of Clydebank Museum in order to generate match funding as noted at 3.4 above.

4. People Implications

4.1 There are no people implications.

5. Financial implications

- 5.1** Currently expenditure shows an adverse variance of £0.059m compared to the profiled budget. The situation will be monitored and action taken as necessary.

6 Risk Analysis

- 6.1** The main risks are as follows:

- (a) As a consequence of current market conditions, capital receipts may either not be received or they may be less than anticipated.
- (b) If departments overspend on any capital budget this will have a detrimental effect on the capital programme in current and future years.

7. Equalities Impact Assessment

- 7.1** No equalities impact assessment was required in relation to this report.

8. Strategic Assessment

- 8.1** The Council has identified four main strategic priorities for 2011/2012, namely Social & Economic Regeneration, Financial Strategy, Asset Management Strategy; and Fit for Purpose Services.

- 8.2** The General Services capital plan contributes to both Social & Economic Regeneration and the Asset Management Strategy in relation to regeneration and marketing of West Dunbartonshire Council, infrastructure, attainment and achievement, modern schools and care homes amongst others.

9. Conclusions and Recommendations

- 9.1** The 2011/2012 capital plan reported to Council in October has been updated for new funding projects. Spend to date is £0.059m higher than the profiled budget, however, this will be monitored and appropriate action taken as necessary.

- 9.2** Members are asked to:

- i) Approve the virements as noted in Appendix C; and
- ii) Note the position to date as outlined in appendices A and B.

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Interim Executive Director of Corporate Services
Date: 9 November 2011

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Appendices:

- A Available Resources
- B Projects by Department
- C Virement Requests

Background Papers: General Services Capital Plan 2011/12
- Council 26 October 2011

Wards Affected: All wards affected.