RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 24 JANUARY 2023
title: CAPITAL PROGRAMME REVIEW AND NEW BIDS
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1   PURPOSE

1.1   To ask Committee to consider the future capital programme for this Committee, covering the period 2023/24 to 2027/28.

2   BACKGROUND

2.1   The Council usually operates a five-year capital programme, but only a three-year capital programme for 2022/23 to 2024/25 was approved last year. This is because the Council was awaiting the outcome of the Government's fair funding review before committing to setting a longer-term five-year capital programme. Committees had however submitted capital scheme bids for 2025/26 to 2026/27 as part of last year's capital programme review.

2.2   This year, the aim is to return to a five-year capital programme, covering the period 2023/24 to 2027/28. Therefore, Heads of Service were asked to:

- review the capital schemes already approved for 2023/24 to 2024/25

- review any previously submitted capital scheme bids for 2025/26 to 2026/27; and

- submit new capital scheme bids for 2027/28.

2.3   Once this Committee has considered the schemes within this report, and any further schemes that members may wish to submit, the capital programme reviews and new bids for each committee area will then be considered alongside each other by the Budget Working Group and Policy and Finance Committee in producing the Council's capital programme for 2023/24 to 2027/28.

3   REVIEW OF PREVIOUSLY APPROVED CAPITAL PROGRAMME SCHEMES FOR 2023/24 TO 2024/25

3.1   For this Committee there were originally six schemes approved for the 2023/24 to 2024/25 capital programme, totalling £206,280. These schemes are shown in Annex 1.

3.2   Review of the schemes by Heads of Service has resulted in proposed amendments to all of the previously approved schemes. This is mainly as a result of updating the scheme values for increased levels of price inflation since last year's capital programme review. The one exception to this is the Revenues and Benefits Replacement Server scheme, where an updated 2022 quote for the server plus inflation uplift to 2023/24 prices showed the amended scheme value to be lower than the previously approved amount.

3.3 The table below shows the financial impact of the proposed amendments put forward by Heads of Service. The proposed amendments for each scheme are shown in Annex 1.

	2023/24 £	2024/25 £	TOTAL £
Previously Approved Capital Programme Costs for Policy and Finance Committee	118,200	88,080	206,280
Proposed Cost Amendments to the Previously Approved Capital Programme	6,500	6,220	12,720
Amended Capital Programme for Policy and Finance Committee	124,700	94,300	219,000

3.4 The proposed amendments to the previously approved capital schemes for 2023/24 to 2024/25 will result in increased costs of £12,720, thus increasing the previously approved capital programme for this Committee to £219,000.

4 REVIEW OF PREVIOUSLY SUBMITTED CAPITAL SCHEME BIDS FOR 2025/26 TO 2026/27

4.1 For this Committee, six capital scheme bids were submitted last year (2021) for the financial years 2025/26 to 2026/27, totalling £415,100. A list of the scheme bids are shown in Annex 2. The individual scheme bid documents were reported to this Committee in January 2022.

4.2 Review of these previously submitted bids by Heads of Service has resulted in proposed amendments to all the bids, mainly as a result of updating the bid values for inflation since the bids were submitted last year. Please note that for three of the bids, currently included as 2025/26 bids, it has been requested that they are brought forward to as soon as possible, which would be inclusion in the 2023/24 capital programme.

4.3 The table below shows the financial impact of the proposed bid amendments put forward by Heads of Service. The proposed bid amendments for each scheme are shown in Annex 2.

	2025/26 £	2026/27 £	TOTAL £
Previously Submitted Capital Bids Total for Policy and Finance Committee	372,800	42,300	415,100
Proposed Cost Amendments to the Previously Submitted Bids	39,200	1,300	40,500
Previously Submitted Capital Bids Updated Total for Policy and Finance Committee	412,000	43,600	455,600

4.4 The proposed amendments to the previously submitted capital bids for 2025/26 to 2026/27 will result in increased costs of £40,500, thus increasing the previously submitted bids for this Committee to £455,600.

5   NEW CAPITAL BIDS FOR 2027/28

5.1   Heads of Service were asked to put forward new scheme bids for 2027/28. For this Committee, three new bids have been submitted, totalling £78,700. Please note the following:

- It has been requested that the Software Upgrade for Asset Management bid is brought forward to as soon as possible, which would be inclusion in the 2023/24 capital programme.

- One bid is for additional costs in 2023/24 on the E-Recruitment System scheme, which is already included in the 2023/24 capital programme. The further bid has been put forward to reflect the latest plans for this scheme.

5.2   A summary listing of the new scheme bids is shown in Annex 3 and detailed information for each new scheme bid is shown in Annex 4.

5.3   This Committee should therefore consider the new scheme bids. Members are also asked to put forward any capital bid suggestions and amendments that they may wish to make at this stage.

6   APPROVED SCHEMES, PROPOSED AMENDMENTS AND NEW CAPITAL PROGRAMME BIDS – 2023/24 TO 2027/28

6.1   The table below provides a summary of the financial impact of the proposed 2023/24 to 2027/28 capital programme for this Committee, following this year's capital programme review and new bids received from Heads of Service. **Please note that currently only £206,280 of this total is approved in the existing capital programme.** Annex 5 lists all the schemes in the proposed capital programme.

2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	TOTAL £
140,800	94,300	412,000	43,600	62,600	**753,300**

6.2   Please note this is the total value **if all amended capital schemes and previous bids and new bids were to be approved.** In practice, Budget Working Group will consider this Committee's proposed capital programme alongside the proposed programmes from all committees and the level of capital financing resources available to the Council to produce the Council's proposed overall capital programme, for approval at Special Policy and Finance Committee in February 2023.

7   RISK ASSESSMENT

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

- Resources – The **proposed amendments to the existing approved capital programme** would increase the capital programme by £12,720.

  If all reviewed bids from the 2021 bidding round and those from the 2022 bidding round were approved, this would increase the proposed capital programme by a further £534,300.

  This would mean that additional capital funding of £547,020 would be required for this Committee's bids alone.

- 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.

8   CONCLUSION

8.1   The proposed amendments to the **previously approved** capital programme would increase the capital programme by £12,720.

8.2   If all reviewed bids from the 2021 bidding round and those from the 2022 bidding round were approved, this would increase the proposed capital programme by £534,300.

8.3   If all amendments and bids were to be approved, this would result in a proposed capital programme for 2023/24 to 2027/28 for this Committee of fourteen schemes, totalling £753,300.

9   RECOMMENDED THAT COMMITTEE

9.1   Consider and propose a future capital programme for this Committee's services for onward recommendation to the Special Policy and Finance Committee meeting for the period 2023/24 to 2027/28, based on:

- the proposals included in this report; and

- any capital bid suggestions and amendments that members may wish to make at this stage.

SENIOR ACCOUNTANT   DIRECTOR OF RESOURCES
PF16-23/AC/AC
16 January 2023

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

Policy and Finance Committee - Review of Previously Approved Capital Schemes 2023/24 to 2024/25

Head of Service	Bid Title	PREVIOUSLY APPROVED SCHEME VALUES			NEW SCHEME COSTS REQUESTED FOR APPROVAL		
		2023/24 £	2024/25 £	TOTAL £	2023/24 £	2024/25 £	TOTAL £
Mark Edmondson	Revenues and Benefits Replacement Server	27,400		**27,400**	24,000		**24,000**
Lawson Oddie	Cyber Security Solutions Refresh	58,300		**58,300**	62,100		**62,100**
Lawson Oddie	Replacement Air Conditioning Units in Server Room	10,000		**10,000**	10,700		**10,700**
Dawn Evans-Storey	E-Recruitment System *NOTE - A further bid has been submitted to request additional resources in respect of this scheme to better reflect the latest scheme plans (see Annexes 3 and 4)*	22,500		**22,500**	27,900		**27,900**
Lawson Oddie	Replacement PCs		66,000	**66,000**		70,600	**70,600**
Lawson Oddie	Firewall Refresh		22,080	**22,080**		23,700	**23,700**
	Total Policy and Finance Committee	**118,200**	**88,080**	**206,280**	**124,700**	**94,300**	**219,000**

						INCREASE =	**12,720**

Policy and Finance Committee - Review of Previously Submitted Capital Scheme Bids 2025/26 to 2026/27

Head of Service	Bid Reference	Bid Title	PREVIOUSLY SUBMITTED SCHEME BIDS COSTS			UPDATED SCHEME BIDS COSTS		
			2025/26 £	2026/27 £	TOTAL £	2025/26 £	2026/27 £	TOTAL £
Adrian Harper	CAPPOL01	Council Offices Fire Alarm Upgrade *Bid requested that scheme is brought forward to as soon as possible (2023/24)*	64,300		**64,300**	66,400		**66,400**
Adrian Harper	CAPPOL02	Council Offices Mains and LED Lighting Upgrade *Bid requested that scheme is brought forward to as soon as possible (2023/24)*	99,400		**99,400**	102,700		**102,700**
Adrian Harper	CAPPOL03	Smart Heating System	17,800		**17,800**	18,400		**18,400**
Adrian Harper	CAPPOL04	Townley Building Re-roof	34,400		**34,400**	35,600		**35,600**
Mair Hill	CAPPOL05	Software Upgrade for Regulatory Services *Bid requested that scheme is brought forward to as soon as possible (2023/24)*	156,900		**156,900**	188,900		**188,900**
Lawson Oddie	CAPPOL06	Replacement ICT Equipment for Councillors		42,300	**42,300**		43,600	**43,600**
		TOTAL POLICY AND FINANCE COMMITTEE	**372,800**	**42,300**	**415,100**	**412,000**	**43,600**	**455,600**
							INCREASE =	**40,500**

Policy and Finance Committee - New scheme bids submitted in 2022

Head of Service	Bid Reference	Bid Title	NEW SCHEME BIDS COSTS					
			2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	TOTAL £
Adrian Harper	CAPPOL07	Council Offices Gate Refurbishment					32,400	**32,400**
Mair Hill	CAPPOL08	Software Upgrade for Asset Management ***Bid requested that scheme is brought forward to as soon as possible (2023/24)***					30,200	**30,200**
Dawn Evans-Storey	CAPPOL09	E-Recruitment System *Further bid for additional element and costs to reflect the latest scheme plans for the scheme already approved in the 2023/24 capital programme (see Annex 1)*	16,100					**16,100**
		TOTAL POLICY AND FINANCE COMMITTEE	**16,100**	**0**	**0**	**0**	**62,600**	**78,700**

Ribble Valley
Borough Council
www.ribblevalley.gov.uk

New Capital Scheme Bids
Submitted 2022

Policy and Finance Committee

Ribble Valley Borough Council

Capital Scheme Bid Form for **2027/28**

CAPPOL07

Head of Service

Head Of Engineering Services

Capital Scheme Title

Council Offices Gate Refurbishment Scheme

Category

Essential - Service would fail if this scheme were not undertaken i.e. not doing the scheme isn't an option.

Brief Description of the Scheme

The gates at the council offices have become dated and are in need of refurbishment. Over time, this could lead to both a health & safety issue and a security issue, the gates are coming to the end of their useful life, so it is important that we get these refurbished. Refurbishment of the gates will extend their useful life significantly.

Environmental Considerations and Green Credentials

A Breakdown of Your Bid

Costs	£	Basis
Contractors	32,400	Firm Quote
Total Capital Costs	**32,400**	

Funding (Please List Any External Funding Below)	£	Basis
Total External Funding	**0**	

Please detail other solutions that you have considered but dismissed.

Discussions were held with contractors and they confirmed that refurbishment was likely to be the most cost effective solution over replacement.

Timescale for Completion

Approx 4 Weeks.

Any Risks to Completion

Extreme adverse weather conditions and lead times on materials.

Revenue Budget Implications - Income and Expenditure

Increased/Decreased Costs - Enter <u>decreases</u> with a minus sign	£
None	
Changes to Revenue Costs	**0**

Increased/Decreased Income - Enter <u>increases</u> with a minus sign	£
None	
Changes to Revenue Income	**0**
Net Revenue Impact	**0**

Head of Service

Head of Legal and Democratic Services

Capital Scheme Title

Software Upgrade for Asset Management

Category

Service Enhancement - This scheme would enhance our services, but is not essential to provide existing service levels

Brief Description of the Scheme

This is a combined bid from the Legal, Finance and Engineers Sections. The bid seeks approval for upgrade of the existing Asset Management software, Technology Forge, with more current cloud-based software, which would allow the service areas to work together more effectively in managing and maximising the income from and use of the Council's Assets.

The current software is outdated (1990s technology), inefficient and does not provide any facility for mobile/agile working. It is extremely limited in its application, inefficient and frustrating to use. It has no data management system within it and documents are accessed via links which have broken in the past to the frustration of officers. The system will enable officers involved in the management of assets to access all relevant information and documentation relating to each asset, including GIS information. It will provide notifications to all involved when a new piece of information is input, which would prompt the other users to make any necessary adjustments based upon this new data. The report writing function is quick and easier to use and provides a higher standard of report format. This in turn ensures that the Council is better informed about the condition and status of its assets.

The current system does not have any provision for mobile/agile working. If mobile/agile working were available officers could utilise a tablet to take the photographs, access documents and input their inspection records straight into the system whilst on site thus removing a duplication of effort and ensuring that records are more accurate as they are made contemporaneously. Use of mobile technology would also provide an improvement in safety from a lone worker perspective.

Implementation of the new software would provide effective and efficient management of assets. It would have an interface with the Council's finance system which would create efficiencies in terms of the year end entries and valuations as once the system was populated it would be able to interface this information seamlessly saving time and resources within the finance team. It is also able to deal with the provision of the new financial accounting standard IFRS16 (Leases), thus providing the Council with the necessary tools to provide the information and reports required in the future.

The Asset Management system quote included in the bid does not include any negotiation on price. The bid also provides prices for the purchase of 3 iPads and robust cases and mobile connectivity access to allow officers to utilise the mobile functions of the software.

The bid includes prices being uprated for inflation indices to 2027/28 prices. **The services request however that the bid be considered for the 2023/2024 capital programme and if that were approved the capital cost estimate would be £27,400, including prices being uprated for inflation indices to 2023/24 prices.**

Environmental Considerations and Green Credentials

Implementation of this new software would radically reduce the amount of paper used and stored in all the services included within this bid. Each service could move to an almost paperless system. This would accord with one of the Council's short-term climate change priorities. Reducing the amount of paper used would benefit the Council financially, would improve the efficiency of the services and lead to less waste and use of resources. The ability to enable mobile working would also have benefits in terms of officer efficiency. With technology which enables files to be accessed remotely and notes to be taken along with photographs all the key elements of each job can be carried out efficiently and effectively as part of one site visit. This will have associated benefits of reducing carbon emissions through more efficient site visits and additional officer capacity by a reduction in the time spent updating notes/ photos etc manually.

A Breakdown of Your Bid

Costs	£	Basis
Contractors	28,400	Firm Quote
Equipment/Materials	1,800	Recent Purchase Cost Inflated
Total Capital Costs	**30,200**	

Funding (Please List Any External Funding Below)	£	Basis
Total External Funding	**0**	

Please detail other solutions that you have considered but dismissed.

It was considered whether the existing system had more functionality which could be utilised. This was dismissed as the system itself is not fit for purpose.

Timescale for Completion

In the year approved for inclusion in the capital programme.

Any Risks to Completion

Sufficient resources being available within IT to assist in the roll out and migration of information etc.

Revenue Budget Implications - Income and Expenditure

Increased/Decreased Costs - Enter <u>decreases</u> with a minus sign	£
ONE OFF YEAR 1 COST - Training Costs = £10,400	
RECURRING COSTS:	
Software Maintenance Costs (New system annual fees less current system annual fees)	13,400
Mobile Connectivity Costs (SIMs for iPads)	1,200
Changes to Revenue Costs	**14,600**

Increased/Decreased Income - Enter <u>increases</u> with a minus sign	£
	None
Changes to Revenue Income	**0**
Net Revenue Impact	**14,600**

Head of Service

Head of HR

Capital Scheme Title

E-Recruitment System

Category

Service Enhancement - This scheme would enhance our services, but is not essential to provide existing service levels

Brief Description of the Scheme

To seek options to enhance and enable our recruitment systems, we are looking for a complete 'end-to-end' product covering all aspects of the recruitment process from creation of a vacancy through to the appointment of a new member of staff.

Payroll and HR already use Chris21, an IT system for recording and storing information. Chris21 were approached for a quote for an online e-recruitment module. The e-recruitment module allows the provision of accurately and effectively supporting applicants through all the stages of the process to the point where a successful candidate is identified. The capital scheme for implementing e-recruitment was initially approved for inclusion in the 2023/24 capital programme, based on a quote obtained in 2018, as follows:
•The e-recruitment Capital costs were approved for £22,500.
•The e-recruitment Revenue costs were approved for £2,900.

As part of reviewing the capital schemes in the 2023/24 capital programme, an updated 2022 quote has been obtained for the e-recruitment module and uplifted for inflation to 2023/24 prices. The updated cost for the module to be implemented in 2023/24 has been revised to:
•The revised e-recruitment Capital cost is £27,900.
•The revised e-recruitment Revenue cost is £3,300.

Whilst the purchase of the e-recruitment module alone provides the platform for employment, it does not fulfil the full criteria of an 'end-to-end process' for recruitment. The following stage, known as the 'appointment stage' of the process would be undertaken by Chris21's 'Onboarding' module. This module takes the successful candidate through the process of managing their employment contract which builds relationships through to the first day of employment. This module allows HR and new starters to see which tasks have been completed and highlights outstanding actions to enable speeding up appointment times. The automated processes keep track of every task such as contracts, references and car park applications.

The costs of the "Onboarding" module, based on a 2022 quote uplifted for inflation to 2023/24 prices, are:
•The Onboarding Capital cost is £16,100.
•The Onboarding Revenue cost is £2,200.

This updated bid is based on the above costings for the purchase of both the e-recruitment and Onboarding modules for the Chris21 system (Chris21 is already used by the HR and Payroll teams). These modules are required to ensure that e-recruitment at Ribble Valley is implemented on a fully "end-to-end" basis.

Capital bid revised amount for 2023/24:
The e-recruitment Capital cost   £27,900
The Onboarding Capital cost   £16,100
                                      £44,000

Yearly revenue cost revised amount:
The e-recruitment Revenue cost   £3,300
The Onboarding Revenue cost   £2,200
                                      £5,500
NOTE – This bid is based on the Chris21 option. Another option for e-recruitment is currently being considered and any update will be provided in due course.

This bid is for additional resources for the E-Recruitment System scheme for 2023/24 to reflect the latest scheme plan, which is the addition of the "On-boarding" module to ensure that the system implemented would provide e-recruitment on a fully "end-to-end" basis. This bid includes the additional costs only for 2023/24 = £16,100.

Environmental Considerations and Green Credentials

A Breakdown of Your Bid

Costs	£	Basis
Fees (External) - Additional costs for "Onboarding" module bid only	**16,100**	Firm Quote
Total Capital Costs	**16,100**	

Funding (Please List Any External Funding Below)	£	Basis
Total External Funding	**0**	

Please detail other solutions that you have considered but dismissed.

This bid is based on the Chris21 option. Another option for e-recruitment is currently being considered and any update will be provided in due course.

Timescale for Completion

2023/24 financial year.

Any Risks to Completion

Revenue Budget Implications - Income and Expenditure

Increased/Decreased Costs - Enter <u>decreases</u> with a minus sign	£
Annual maintenance fee - Additional costs for "Onboarding" module bid only	**2,200**
Changes to Revenue Costs	**2,200**

Increased/Decreased Income - Enter <u>increases</u> with a minus sign	£
	None
Changes to Revenue Income	**0**
Net Revenue Impact	**2,200**

Policy and Finance Committee - Proposed Capital Programme 2023/24 to 2027/28

Bid Title	PROPOSED SCHEME COSTS					
	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	TOTAL £
Revenues and Benefits Replacement Server	24,000					**24,000**
Cyber Security Solutions Refresh	62,100					**62,100**
Replacement Air Conditioning Units in Server Room	10,700					**10,700**
E-Recruitment System *Previously Approved Scheme updated value = £27,900* *Further bid for additional costs value = £16,100*	44,000					**44,000**
Replacement PCs		70,600				**70,600**
Firewall Refresh		23,700				**23,700**
Council Offices Fire Alarm Upgrade ***Bid requested that scheme is brought forward to as soon as possible (2023/24)***			66,400			**66,400**
Council Offices Mains and LED Lighting Upgrade ***Bid requested that scheme is brought forward to as soon as possible (2023/24)***			102,700			**102,700**
Smart Heating System			18,400			**18,400**
Townley Building Re-roof			35,600			**35,600**
Software Upgrade for Regulatory Services ***Bid requested that scheme is brought forward to as soon as possible (2023/24)***			188,900			**188,900**
Replacement ICT Equipment for Councillors				43,600		**43,600**
Council Offices Gate Refurbishment					32,400	**32,400**
Software Upgrade for Asset Management ***Bid requested that scheme is brought forward to as soon as possible (2023/24)***					30,200	**30,200**
TOTAL POLICY AND FINANCE COMMITTEE	**140,800**	**94,300**	**412,000**	**43,600**	**62,600**	**753,300**