

Council – 19th November 2012

Revenue Contributions to fund Capital Expenditure

Portfolio: Councillor C Towe – Finance and Personnel (Lead Portfolio)
Links to all other Portfolios

Service: Finance

Wards: All

1. Summary of report

The report details projects for which revenue contributions are required to fund capital expenditure and approval from Council is required in line with the Constitution Part 4.7 Financial Rules.

2. Recommendations

Council are requested to:

- (1) Note projects already approved by Cabinet as detailed in **Table 1**.
- (2) Approve the revenue contributions to fund capital expenditure as detailed in **Table 2**.

3. Background information

The Constitution requires that any revenue contribution to fund capital expenditure be approved by:

- (a) The Executive up to £250,000 from a revenue budget heading to capital
- (b) Any amounts above £250,000 in aggregate are approved by Council.

4. Resource and legal considerations

For information **Table 1** summarises the projects which were reported and approved by Cabinet on 24 October 2012.

Table 1: Revenue contributions to capital as approved by Cabinet 24 October 2012	
Details	£
WACC – telephone and IT upgrade and replacement programme	47,182
Eldon House - additional project costs over capital allocation	17,900
Bentley Sure Start Children's Centre	60,000
Purchase of equipment for print and design (Speedmaster press)	9,650
Total	134,732

Table 2: Revenue contributions to capital required to be approved by Council	
Details	£
WACC – further contributions to telephone and IT upgrade and replacement programme	21,067
WACC – Refurbishment and upgrade of the college facilities and premises	108,933
Total	130,000

Details of projects

WACC – IT and telephone system upgrade and improvement

The project was to modernise and upgrade the college telephone system and to improve IT and wifi provision throughout the college for the benefit of both staff and learners. The original project was for £230k of which £183k was spent in 2011/12 for which an RCCO was approved to be funded from WACC revenue reserves and the remaining balance to be spent in 2012/13. The current RCCO awaiting approval of £21k is to fund the remaining works.

Eldon House Reprovision

The project was awarded a £1.028m budget including a 5% contingency. Unforeseen ground works, exception weather conditions (in excess of 50 days lost to rain) and ICT requirements resulted in a small overspend on the project of £17,900.

Bentley Surestart Children's Centre

Total project cost £176k of which £60k to be funded from revenue. Additional space required due to governments commitment to provide 15 hours free childcare for 2 year olds from the poorest 2/5th of households. The centre is currently oversubscribed and requires additional provision to cope with local demands being placed upon it and to enable the centre to reach national targets. Performance Indicators for Surestarts is to increase community engagement rates. The Bentley Centre's current engagement rate is 65% but aim to reach over 80%. Other centres locally have space to engage with parents and carers so additional provision would enable the Bentley centre to perform on a level playing field.

Purchase of equipment for print and design - Speedmaster Printing Press

The print room colour offset press was due to be replaced and re-leased in 2012/13. However due to the excellent condition of the existing machine which could last another 10 years + and low buy out cost from current lease of £9,650 it was more cost effective for the authority to buy out of the lease than replace the equipment which was not necessary. The £9,650 was funded from revenue leasing budget underspend.

WACC- Refurbishment and upgrade of the college facilities and premises

Total project cost £108,933 all to be funded from revenue earmarked reserves. The project is to modernise and upgrade the colleges IT provision further throughout the college. This will include areas within the college which currently have no IT facilities which will enable the college to expand its capacity. It will also to modernise and upgrade the college's accommodation for example: replacing normal cookers for industrial cookers. This will benefit both staff and learners.

5. Citizen impact

None directly associated with this report

6. Community safety

None directly associated with this report.

7. Environmental impact

None directly associated with this report.

8. Equality implications

None directly associated with this report.

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Signed:



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