

REPORT TO	DATE OF MEETING
CABINET	20th March 2013



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Authorisation of Expenditure of Capital Programme Schemes 2013/14	Finance and Resources & Strategic Planning and Housing	John Dalton	4

SUMMARY AND LINK TO CORPORATE PRIORITIES

Capital Expenditure for Asset Management and Housing

This report requests approval to commit capital expenditure for works to Moss Side Depot and the Civic Centre and for Disabled Facilities Grants as set out in the Capital Programme for 2013/14 approved by Council on 7th March 2013.

Link to Corporate Priorities

This report links to the corporate priorities of creating a thriving and prosperous borough; a clean, green and safe environment and strong and healthy communities.

RECOMMENDATIONS

That Cabinet agrees:

1. To grant authority under Section 3.4 of the Financial Regulations to incur capital expenditure of £165,000 for works at Moss Side Depot, and to delegate authority to the Director of Planning & Housing in consultation with the Cabinet Member for Finance and Resources, to determine the most appropriate scheme and accept the most economically advantageous tender (all other aspects of the procurement being conducted in accordance with the provisions of the Council's Contract Procedure Rules);
2. To grant authority under Section 3.4 of the Financial Regulations to incur capital expenditure of £343,200 for works at the Civic Centre. (the procurement being conducted in accordance with the provisions of the Council's Contract Procedure Rules)
3. To grant authority under Section 3.4 of the Financial Regulations to incur capital expenditure of £75,000 for fire suppression in the Civic Centre and Moss Side Depot. (the procurement being conducted in accordance with the provisions of the Council's Contract Procedure Rules)
4. To grant authority under Section 3.4 of the Financial Regulations to incur the capital expenditure of £554,566 for disabled facilities grants.

DETAILS AND REASONING

The Council approved the budget for 2013/14 at its meeting on 7th March. The budget included the capital programme. In accordance with the Council's Financial Regulation No. 3.4, permission is now sought to incur expenditure on schemes listed in the capital programme that exceed a value of over £75,000.

Moss Side Depot

Treatment of Asbestos Roof and Wall Cladding

The budget of £165,000, in the Capital Programme for 2013/14, is a scheme for coating of the roof and wall cladding of the Depot. This project has already been considered by Cabinet in this current year's programme and tenders have been invited for a scheme to coat the asbestos roof and wall cladding.

The application of coating works is seasonal, and best done during May to July, and in the absence of a Cabinet meeting until June, it is proposed that Contract Procedure Rule 25.4 be waived and the Director of Planning & Housing be authorized, in consultation with the Cabinet Member for Finance & Resources, to accept the most economically advantageous tender for the scheme at Moss Side Depot.

However, as part of the tender process, it has become apparent that there is another option for extending the life of the roof, namely glass reinforced plastic over-cladding. This option would provide for a 25 year maintenance free period, it would provide greater insulation and thereby improve energy efficiency and also have less health and safety issues in terms of the cleaning of the asbestos to allow for coating. Costs of over-cladding would appear to be comparable with coating. A further tendering process to obtain costings, etc is planned.

On this basis, it is recommended that the decision as to which option to pursue is delegated to the Director of Planning & Housing in consultation with the Cabinet Member for Finance and Resources on the basis of cost and guarantees of the longevity/durability of the over-cladding product; and secondly then to select the most advantageous tender. In accordance with the Council's financial regulations permission is also sought to authorize capital expenditure up to £165,000 for an appropriate scheme, which will be procured in accordance with the Council's Contract Procedure Rules.

Civic Centre

The following schemes are included in the capital programme for 2013/14:

Photo Voltaic System	£113,200
Improvement Work to Roof	£ 80,000
Electrical Services Replacement	<u>£150,000</u>
Total	<u>£343,200</u>

Photo Voltaic System and Improvement Works to Roof

These schemes involve the installation of a photo voltaic system on the high level roofs of the Civic Centre to provide power and thereby reduce energy costs; the improvement of the roof coverings to provide a maintenance free life similar to that of the photo voltaic system and an upgrade to the insulation value of the roofs. On completion of the roof works, a review will be undertaken of the figures that support the photo voltaic installation based on prevailing Fit rates and pay back periods, before any contract is let.

Electrical Services Replacement

The scheme involves replacement of the electrical distribution equipment, mains cables etc., installed when the building was constructed in 1974, which are near the end of their maintenance free life or not in accordance with current standards.

Fire Suppression System

The Capital programme for 2013/14 includes £75,000 for the installation of fire suppression systems to IT Server Rooms at the Civic Centre and Moss Side Depot and the Deeds Room at the Civic Centre. The insurer of the Civic Centre and Depot has stated that, without fire suppression systems, the IT Rooms constitute a high risk of spread of fire; and the stored documents in the Deeds Room are at risk without a fire suppression system. It is considered beneficial to award a single contract for these works, in an attempt to obtain the most economically advantageous tender.

Housing Capital Expenditure

The Capital programme for 2013/14 includes £554,566 for disabled facilities grants. This funding comprises of additional funding received for adaptations provided by central government in December 2012 of £95,996, slippage from financial year 2012/13 of £225,570 and an assumption that Central Government will provide a grant for disabled adaptations of £233,000. The grants will continue to be delivered through the Riverside Home Improvement Agency.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below. The table shows the implications in respect of each of these.

FINANCIAL	Moss Side Depot The approved capital programme for 2013/14 includes the capital budget of £165,000 for the scheme at the Depot.
	Civic Centre The approved capital programme for 2013/14 includes the following capital budgets and schemes at the Civic Centre:
	Photo Voltaic System £113,200 Improvement Work to Roof £ 80,000 Electrical Services Replacement £150,000
	Fire Suppression System The approved capital programme for 2013/14 includes the capital budget of £75,000 for the scheme at the Civic Centre and the Depot.
	Housing Disabled Facilities Grants The approved capital programme for 2013/14 includes £554,566 for disabled facilities grants.

LEGAL	For the asset management schemes, the successful tenderers will enter into formal contracts directly with the Council. This will protect the position of the Council. For the expenditure of Disabled Facilities Grants this is delivered through a contract with Riverside Home improvement Agency.
RISK	The asset management schemes are essential to ensure the facilities are well maintained, energy efficient and risk of damage and health and safety issues are avoided. Grants for disabled facilities are a statutory requirement.
ASSET MANAGEMENT	The proposals are consistent with the philosophy of the adopted Asset Management Plan which seeks to ensure facilities are adequate, safe and energy efficient.
HEALTH & SAFETY	The Council will, and successful tenderers be required to, conform with the requirements of the Construction (Design & Management) Regulations 2007.

BACKGROUND DOCUMENTS

Cabinet : Financial Strategy, Budget and Council Tax 2013/14 06/02/13
 Council : Report of the Cabinet Financial Strategy, Budget and
 Council Tax 2013/14 07/03/13