

ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	EXECUTIVE COMMITTEE
DATE:	15 DECEMBER 2014
SUBJECT:	CAPITAL BIDS 2015/16
PORTFOLIO HOLDER:	COUNCILLOR H E JONES
LEAD OFFICER:	GARETH ROBERTS
CONTACT OFFICER:	RICHARD MICKLEWRIGHT (EXT: 2601)

Nature and reason for reporting:

To enable the Executive to be responsible for scheduling Capital Bids for 2015/16 at a corporate level.

A - Recommendation/s and reason/s

1. BACKGROUND

1.1 This is the schedule of Capital Bids proposed by departments for inclusion in the 2015/16 to 2019/20 Capital Programme.

2. PROGRESS

2.1 Following the report to the Executive in July 2014 setting out a Capital Strategy, request was made of departments to put forward bids for capital projects to be included in the 5 year Capital Programme.

2.2 The response was far greater than expected and the full list of requests received is outlined in Appendix A.

2.3 Each bid was reviewed for completeness and then prioritised according to a points based set of criteria, as set out in Appendix B.

2.4 An estimate of available capital resources (Appendix C) was prepared, against which the schedule of bids was compared. As a result of this exercise, the items shaded on Appendix A were deemed to be those which were to be proposed for inclusion in the 2015/16 capital programme. Future years' inclusions will depend on the available resources at the appropriate time. However, it should be noted that the inclusion of projects in 2015/16 will have a commitment effect on future years.

3. MATTER FOR DECISION

3.1 This report has recommended:-

That the items shaded on Appendix A to the report (items valued at £14,480m) be included in the Capital Programme 2015/15 to 2019/20.

B - What other options did you consider and why did you reject them and/or opt for this option?

C - Why is this a decision for the Executive?

This is delegated to the Executive.

CH - Is this decision consistent with policy approved by the full Council?

Yes.

D - Is this decision within the budget approved by the Council?

Yes.

DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	Consultation with Budget Steering Group
2	Finance / Section 151 (mandatory)	This is a S151 Officer report.
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<p>Appendix A: Summary of Capital Bids 2015/16 Appendix B: Scoring Matrix Appendix C: Capital Resources</p>		
FF - Background papers (please contact the author of the Report for any further information):		

Reference	Directorate	Department	Capital Reference	Original Rank	Weighted Rank	Rolling / One off Schemes	Proposed Scheme	Brief Description	2015/16 Year 1 Cost (£'000)	2016/17 Year 2 Cost (£'000)	2017/18 Year 3 Cost (£'000)	2018/19 Year 4 Cost (£'000)	2019/20 Year 5 Cost (£'000)	Grant	Net funding by IOACC 2015/16 (£'000)	Corporate priority the bid meets	Which part of the priority it meets	Projects Contribution to delivering corporate priorities	Level of Corporate risk that the proposal mitigates	Requirement to comply with statutory health, DDA responsibilities to mitigate	Level of joint / match funding potentially available	Favourable impact on revenue budget or invest to save	Robustness of Project Management	Total
11	Lifelong Learning	Education				One off	3 New Schools on Anglesey	3 other 21st century schools with commitments in 2015/16. No Capital Bid put forward, but there is a commitment to IOACC	1,442	1,110	8,235	3,634		174		C	Continue to raise the standards in educational attainment rates and standards							
12	Sustainable Development	Property	26	10	10	Rolling Programme - There will be a schedule, but not available yet	Disabled Access	The Equality Act requires the authority to carry out reasonable adjustment to the Authorities properties. Works are to be carried out to ensure all disabled people have access to services	150	150	150	150	150	0	150	F		240	140	150	0	0	35	565
13	Lifelong Learning	Education	7	11	11	Rolling Programme with a schedule attached	Rewiring Education Buildings	The Electricity at Work Regulations 1989 requires precaution to be taken against the risk of death or personal injury from electricity in work activities. All schools are required to be tested over 5 years, and some will only require minor repairs, while others will require a complete rewiring.	250	250	250	250	250	0	250	C	Continue to raise the standards in educational attainment rates and standards	240	140	150	0	0	30	560
14	Lifelong Learning	Education	4	12	12	Rolling Programme - There will be a schedule, but not available yet	Disabled Access in Education Buildings	Improve disabled access in various schools to comply with the Equality Act 2010, to meet the needs of some disabled pupils	300	300	300	300	300	0	300	C	Continue to raise the standards in educational attainment rates and standards	240	140	150	0	0	30	560
15	Lifelong Learning	Education	9	13	13	Rolling Programme - There will be a schedule, but not available yet	School catering Facilities	Replace existing ovens, upgrade ventilation systems in kitchens to meet the requirements. Should schools canteen close, this leads to children being sent home and disruption to their education and parents.	200	200	0	0	0	0	200	C	Continue to raise the standards in educational attainment rates and standards	240	100	150	0	40	30	560
16	Deputy Chief Executive	ICT	38	14	14	One off	Offsite ICT Backup Facilities	An audit revealed the backup system was not for purpose and posed a risk to the council. Following the audit, the previous Section 151 Officer commissioned Mazars to produce an options paper for a new system which would meet the Council's data backup requirements. The options paper was presented to SLT who decided upon the option of a comprehensive offsite backup system, unfortunately the costings in the report produced by Mazars did not consider the non-ICT requirements of such a facility	42	0	0	0	0	0	42	G		300	200	0	0	0	50	550
17	Lifelong Learning	Education	8	15	15	Rolling Programme with a schedule attached	School Repair & Maintenance	Address deficiencies to all the buildings which are unaffected by the school reorganisation plan. The condition of school stock is unsatisfactory such as leaking roofs, rotten windows that don't open, damp problems and other health and safety risks.	1,800	1,800	1,800	1,800	1,800	0	1,800	C	Continue to raise the standards in educational attainment rates and standards	240	120	150	0	0	30	540
18	Lifelong Learning	Education	5	16	16	Rolling Programme - There will be a schedule, but not available yet	Falls from height risk	Schools with flat roofs and old roof-lights made with non-safety glass pose significant risk to contractors carrying out works, to surveyors and trespassers, and the authority could be prosecuted should harm be proved as a result of lack of compliance with standards. Programme needs to be in place to provide safe areas to work and replace roof-lights as necessary.	50	50	50	50	0	0	50	C	Continue to raise the standards in educational attainment rates and standards	240	120	150	0	0	30	540
19	Lifelong Learning	Education	10	17	17	Rolling Programme - There will be a schedule, but not available yet	Refurbish school toilets	An audit in 2013 revealed school toilets are in a poor state and need improving. In some cases children refuse to use the toilets as they are unsanitary. This bid is to provide up to date facilities in school, which are sanitary and designed to reduce the likelihood of bullying, other anti-social behaviour and vandalism.	200	200	200	200	0	0	200	C	Continue to raise the standards in educational attainment rates and standards	240	160	105	0	0	30	535
20	Lifelong Learning	Education	3	18	18	Rolling Programme - There will be a schedule, but not available yet	Boiler replacement in Education Buildings	Replacing Boilers in schools that are at the end of their serviceable life. Repairs are no longer possible due to parts no longer being available. Without boiler or hot water, schools would be forced to close	150	150	150	150	150	0	150	C	Continue to raise the standards in educational attainment rates and standards	240	80	150	0	0	30	500
21	Community	Housing	12	22	19	One off	Affordable Housing	Provide good, quality accommodation to residents of Anglesey, and this is recognised as being essential to health, education attainment, family well being, community sustainable and life quality.	935	0	0	0	0	0		D	Increase the affordable housing options, island wide and bring empty homes back into use	300	80	75	0	0	35	490
22	Sustainable Development	Economic & Community	29	19	21	To early to provide information - Work in progress	EU Structural Funding	Match funding to regenerate our communities and develop the economy. The future of Anglesey looks brighter with projects like Wyifa Newydd and Energy Island. With EU programmes becoming more focused and concentrated around maximising areas of opportunities within the economy - Anglesey is uniquely placed to take full advantage of these programmes	2500	5000	5000	5000	2500		TBC	B		300	0	0	80	0	50	430
23	Deputy Chief Executive	Legal Department	43	28	22	One off	Regional Electronic Legal Case Management System	The Council plays a part in the regional legal services' collaboration project. The project is moving ahead to purchase an electronic case management system (CM). Whilst this Council's Legal Section already has CM it may not be the same one as the collaboration chooses to buy from the G Cloud. Should that be the case then this Council will need to buy the same system as that which the rest of the region will be buying. A failure to do so will severely curtail this Council's future participation in regional legal collaboration.	80	0	0	0	0	0	80	G		300	100	0	0	0	20	420
24	Sustainable Development	Property	27	21	23	Rolling Programme - There will be a schedule, but not available yet	Property Repairs and Maintenance	Many non-educational buildings eg Leisures Centres, Libraries, Social Services buildings etc have leaking roofs, windows that don't open or are rotten, damp issues and other safety risks, this bid addresses these.	700	700	700	700	700	0	700	D		150	140	75	0	0	35	400

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25	Sustainable Development	Economic & Community		34	25	24	Regional Supply chain programme	The Regional Supply Chain Programme (RSCP) aims to co-ordinate, enable and bend existing business support provision by engaging with Tier 1 and 2 suppliers to understand their requirements and using this information to inform and develop potential suppliers in North Wales	871	871	0	0	0	WEFO Funding required	TBC	B		300	0	0	80	0	10	390
26	Sustainable Development	Economic & Community		33	24	25	Cyferter Social Enterprise Support Scheme	Support the growth and productivity of the Social Enterprise sector in NW Wales through targeted financial support	1100	1100	1100	1100	1100	3,575 over the five years	TBC	B		300	0	0	70	0	15	385
27	Sustainable Development	Property		28	26	26	Programme to be provided	In accordance with decisions of the Executive committee on 24/4/10, the programme started in 2011/12 and is 2/3 of the way through. It renovates and improve the estates building in order to ensure that they are safe for the tenants to use and provides suitable accommodation that creates opportunities for young farmers within the agricultural industry.	1,300	1,300	0	0	0	Ringfenced Capital receipts	1,300	B		90	100	60	100	10	360	
28	Deputy Chief Executive	ICT		40	29	37	One off	Corporate Content Management System Upgrade	Upgrade the Council Website, so it can be used by mobile phone and tablets	126	0	0	0	0	126	G		150	100	0	60	50	360	
29	Sustainable Development	Environment & technical Service		17	23	27	One off	Public Conveniences	Works to provide sewage treatment plants and install coin collection machines to achieve revenue saving of £75k in 2015/16 by reducing maintenance costs	100	0	0	0	0	100	N/A		0	100	75	140	35	350	
30	Sustainable Development	Planning & Public Protection		37	27	28	One off	Motorhome & tourer park at Holyhead	The proposal is part of an ongoing programme of improvements to the offer and facilities available to the public at the council owned Breakwater Country Park at Holyhead (BCP). The improvements once completed will provide the potential for additional revenue funding which will assist in making the BCP self-funding in future with less reliance on council core funding.	250	0	0	0	0	80% of £200k from VVP Grant not yet secured, if secured IOACC contribution £50k	50	B		150	0	80	100	5	335
31	Sustainable Development	Economic & Community		35	37	29	To early to provide information - Work in progress	Local Investment Fund	The proposed operation will provide financial assistance to new and existing micro and small businesses of up to £10k towards capital investments and in so doing address the current market failure in financial support mechanisms to micro and small enterprises.	TBC	TBC	TBC	TBC	TBC	WEFO Funding required	TBC	B		300	0	0	0	15	315
32	Sustainable Development	Economic & Community		36	38	30	To early to provide information - Work in progress	Marine Renewables Infrastructure	The opportunities of EIP have significant potential to instigate transformation economic change on a regional basis if the condition for growth are in place. The proposed operation will install power infrastructure between the sea bed and a land based export connection, allowing SIX tidal technology operators to produce a 120MW of renewable energy. The absence of grid connection is a major and critical issue for private developers. The project will render the designated MCRis zone, the Holyhead deep and other contiguous marine areas suitable for marine energy production, the most attractive in the UK	operation (sub sea and some overland cabling between the sea bed and the grid export connection point) is between £30-£35m. Menter Mon secured alternative route to grid and private match funding of up to £15m	The cost of operation (sub sea and some overland cabling between the sea bed and the grid export connection point) is between £30-£35m. Menter Mon secured alternative route to grid and private match funding of up to £15m	The cost of operation (sub sea and some overland cabling between the sea bed and the grid export connection point) is between £30-£35m. Menter Mon secured alternative route to grid and private match funding of up to £15m	The cost of operation (sub sea and some overland cabling between the sea bed and the grid export connection point) is between £30-£35m. Menter Mon secured alternative route to grid and private match funding of up to £15m	The cost of operation (sub sea and some overland cabling between the sea bed and the grid export connection point) is between £30-£35m. Menter Mon secured alternative route to grid and private match funding of up to £15m	WEFO Funding required	TBC	B		300	0	0	0	15	315
33	Sustainable Development	Environment & technical Service		20	30	31	Rolling Programme - There will be a schedule, but not available yet	Estate Roads	A number of the county's estate roads are in a poor condition, including footways. This will enable targeted intervention on a planned basis to reduce risks and improve the condition of residential areas, and will also reduce the risk of claims for injuries	50	50	50	50	50	0	50	N/A		0	140	45	60	25	270

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34	Sustainable Development	Environment & technical Service	19	32	32	Rolling Programme - Install new py and display machines	Car Parks	Maintain Car Parks which bring income for revenue budget. This enables major works if not addressed could become major safety issues. It also serves as match funding when grants become available for enhancements	50	50	50	50	50	0	50	B		90	100	45	0	0	25	260			
35	Lifelong Learning	Museums and Heritage	42	35	33	One off	Essential works to Courthouse (in preparation for possible outsourcing to another agency, dependent on decision of elected members)	Outsourcing as one way forward for some of the island's prestigious tourist and heritage sites. In order to attract an outside agency to adopt and undertake the running of these sites instead of the Council, the buildings must be in good enough condition to be regarded as viable tourist income generators. A detailed report has been commissioned to provide a breakdown of essential costs of repairs to the Beaumaris Gaol and Courthouse in order to ensure that the buildings reach the minimum standard of repair expected by any agency that would take over the sites.	232	0	0	0	0	0	232	B,E		90	40	0	0	80	25	235			
36	Community	Housing	11	31	34	One off	Purchase Land for Gypsies and Travellers	Acquire and develop land for Gypsies and travellers on Anglesey. The bid is based upon the need to acquire land for 2 temporary / transit sites of 1 acre, and 1 permanent residential site of 2.5 acres.	3,590	0	0	0	0	0	Funding could be made at the end of 2015 for 2016/17	TBC	D		120	0	75	0	0	35	230		
37	Sustainable Development	Environment & technical Service	22	33	35	Rolling Programme - There will be a schedule, but not available yet	Major Structural Schemes	Maintain several bridges, culverts and retaining walls. This will undertake planned maintenance to these structures above and beyond that can be undertaken from revenue budget	200	200	200	200	200	200	200	0	200	N/A		0	100	45	0	60	25	230	
38	Sustainable Development	Environment & technical Service	23	34	36	Rolling Programme - There will be a schedule, but not available yet	Carriageways	The Council network requires constant maintenance. This fund enables major work to be undertaken which would otherwise not be possible	200	200	200	200	200	200	200	200	0	200	N/A		0	100	45	0	60	25	230
39	Sustainable Development	Economic & Community	30	41	38	To early to provide information - Work in progress	Strategic Sites and Premises	Anglesey is on the cusp of significant inward investment from the low carbon and energy sector. This project will seek to deliver high quality serviced sites and premises at key employment sites to attract inward investment and business expansion linked to EIP supply chain	5000	0	0	0	0	0	0	Subject to WEFO funding	TBC	B		180	0	0	0	0	10	190	
40	Sustainable Development	Economic & Community	31	42	39	To early to provide information - Work in progress	Utilities Infrastructure Programme	There are significant constraints within the utility of highway infrastructure which could serve to limit the economic impacts of planned investment. Significant investment is required to improve capacity and load of critical utility infrastructure (electric network etc) to maximise opportunities associated with major energy developments	TBC	TBC	TBC	TBC	TBC	TBC	Subject to WEFO funding	TBC	B		180	0	0	0	0	10	190		
41	Sustainable Development	Economic & Community	32	43	40	To early to provide information - Work in progress	Llangefni Strategic Infrastructure Programme	Llangefni identified as a key location. Three sites in close proximity have potential to be key employment and training hub of regional significance given the right investment	circa £10m+ over the 5 years (unknown with any certainty)	circa £10m+ over the 5 years (unknown with any certainty)	circa £10m+ over the 5 years (unknown with any certainty)	circa £10m+ over the 5 years (unknown with any certainty)	circa £10m+ over the 5 years (unknown with any certainty)	Subject to WEFO funding	TBC	B		180	0	0	0	0	10	190			
42	Sustainable Development	Environment & technical Service	21	39	41	Rolling Programme - There will be a schedule, but not available yet	Lighting	A programme to replace lamps with more energy efficient and reduced light polluting lamps, resulting in lower electricity consumption thus resulting in revenue savings and reducing carbon footprint.	30	30	30	30	30	30	0	30	N/A		0	0	0	0	140	25	165		
43	Community	Housing	14	36	42	No Programme Ad Hoc	Private Sector Housing Loan Scheme	Improving Homes of Private Landlords on Anglesey eg for quality of homes for contractors. Should Wylfa Newydd go ahead it is estimated 8,000 workers will be employed on site at peak times.	740	500	510	0	0	WG £254k	486	D		90	0	0	40	0	30	160			
44	Sustainable Development	Property	25	40	43	Rolling Programme - There will be a schedule, but not available yet	Energy Conservation	Lack of investment could impact on ability to meet Public Sector targets. It is recommended that 10% of the energy and water expenditure should be invested in energy and water efficiency schemes	200	200	200	200	200	200	0	200	N/A		0	0	0	0	100	35	135		

Key: Corporate Priority:	
A	Transform Adult Social Care
B	Regenerating our Communities and Developing the Economy
C	Improving Education, Skills and Modernising our Schools
D	Increasing our Housing Options and Reducing Poverty
E	Transforming our Leisure and Library Provision
F	Becoming Customer, Citizen and Community Focused
G	Transforming our Information and Communication Technology (ICT)

SCORING MATRIX**1. Projects Contribution to delivering corporate priorities (Weighting 30%)**

- 300 points is awarded if the scheme fully meets one or more of the bullet points within the corporate plan.
- A score of between 1 and 299 is awarded if part of the bullet points within the corporate plan is met, with the score reflecting the severity of the impact. If a scheme meets most of the corporate priority, it should score over 200 points, but if the scheme only meets a fraction of the corporate priority, it should score less than 100. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't meet any of the bullet points within the corporate plan.

2. Projects Contribution to delivering corporate priorities (Weighting 20%)

- 200 points is awarded if the scheme fully mitigates a corporate risk.
- A score of between 1 and 199 is awarded if the scheme partly mitigates a corporate risk. The score will reflect the severity of the mitigation. If a scheme mitigates a lot of the corporate risk, it should score over 120 points, but if the scheme only mitigates a small amount of corporate risk, it should score less than 50. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't mitigate any of the corporate risk.

3. Requirement to comply with statutory, health, DDA responsibilities to mitigate challenge (Weighting 15%)

- 150 points is awarded if the scheme is fully required to comply with either statutory, health, or DDA responsibilities.
- A score of between 1 and 149 is awarded if the scheme partly complies with either statutory, health, or DDA responsibilities. The score will reflect the severity of the compliance. If a scheme complies a lot with either the statutory, health, or DDA responsibilities, it should score over 100 points, but if the scheme only complies slightly with either statutory, health, or DDA responsibilities it should score less than 30. The scoring is based on the scorer's discretion.
- A score of 0 is awarded if the scheme doesn't comply with either statutory, health, or DDA responsibilities.

4. Level of joint / match funding potentially available (Weighting 10%)

- If the scheme is 100% grant funded, the scheme will score 100 points. If the scheme is 50% grant funded, the scheme will score 50 points. If the scheme will receive no grant funding, it will score 0 points.

5. Favourable impact on revenue budget or invest to save potential (Weighting 20%)

- 200 points is awarded if the scheme has a major impact on revenue budget or invest to save potential.
- A score of between 1 and 199 is awarded if the scheme has some favourable impact on revenue budget or invests to save potential, with the scoring dependant on how much impact there is on the revenue budget. A high favourable impact should score over 120, with a low impact expected to score less than 50 points.
- A score of 0 is awarded if there is no favourable impact on revenue budget or invest to save potential.

6. Robustness of Project Management (Weighting 5%)

- A fully robust project management will score 50 points.
- A score of between 1 and 49 will be scored dependant on how robust the project management is, with the scoring based on the scorer's discretion.
- A score of 0 is awarded if the project management is not robust at all.

CAPITAL RESOURCES

The Council is currently extremely short of capital resources. There was approximately £2m of capital receipts in hand as at the 1 April 2014 with a further anticipated £2.5m to be made available by the 31st March 2015. In addition, the Council receives, through the Support Grant, a further £3.522m allocation which can be spent on capital. Thus, the Council has a base £6.5m to which can be added grants if and when capital schemes attract such approvals.

At this stage, it has not been possible to reasonably define resources available beyond 2016/17 as shown in the tables below. Therefore, even though certain projects are shown into future years, there is a degree of uncertainty with any project after 2016/17. It should also be born in mind that 'emergency' schemes or changes in priorities may occur at any time and, therefore, new schemes may be put forward for consideration and inclusion in the Capital Programme.

CAPITAL RESOURCES 2015/16

The following are the Capital Resources available for 2015/16 :-

	£'000	£'000
Estimated Capital Receipts (Excluding Ring Fenced Smallholdings)	2,500	
Supported Borrowing (WG via Support Grant)	2,189	
General Capital Grant (WG)	1,333	
Estimated 2014/15 Capital Receipts released	2,000	
		8,022
Capital Grants available for schemes included in proposed Schedule (Beaumaris)		765
		8,787
Special Grants relating to proposed Schools schemes Schools	4,578	
		4578
Total Available Resources (without recourse to Borrowing)		<u>13,365</u>

POTENTIAL RESOURCES 2016/17

	£'000	£'000
Estimated Capital Receipts (Excluding ringfenced Smallholdings)	1,000	
Supported Borrowing (Assuming at same levels as 2015/16 (WG via Support Grant)		
General Capital Grant (WG)	1,333	
		4,522
Special Grants relating to proposed schemes Schools	1,700	
		1,700
Total Potential Available resources (without recourse to Borrowing)		<u>6,222</u>