



CABINET – 30TH NOVEMBER 2016

SUBJECT: CAPITAL BIDS

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & SECTION 151 OFFICER

1. PURPOSE OF REPORT

- 1.1 This report seeks Cabinet approval of proposals to utilise the capital earmarked reserve of £7.9m that was agreed as part of the Capital Programme approved by Council at its meeting on the 24th February 2016.

2. SUMMARY

- 2.1 The report provides details of bids that have been prioritised for utilising the £7.9m capital earmarked reserve approved by Council at its meeting on the 24th February 2016.
- 2.2 The total value of the prioritised bids is £8.763m which exceeds the capital earmarked reserve by £863k. It is proposed that the additional £863k is funded from a one-off insurance rebate received from the contractor for the Sirhowy Enterprise Way (SEW) PFI scheme.

3. LINKS TO STRATEGY

- 3.1 The capital earmarked reserve of £7.9m was approved as part of the agreed budget strategy for the 2016/17 financial year.
- 3.2 The prudent management of capital resources is an important element of effective financial planning and supports the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015: -
- A prosperous Wales.
 - A resilient Wales.
 - A healthier Wales.
 - A more equal Wales.
 - A Wales of cohesive communities.
 - A Wales of vibrant culture and thriving Welsh Language.
 - A globally responsible Wales.

4. THE REPORT

- 4.1 Following Council approval of the £7.9m capital earmarked reserve, Heads of Service were asked to prepare bids to utilise the funding. Inevitably, the bids received significantly exceeded the available funding and a process of prioritising the bids has since been

undertaken in consultation with Cabinet Members. The following bids are those which have been identified as the highest priority: -

Description	Cost £m
Purchase of 9 Twin Pack Refuse Collection Vehicles	1.553
Longbridge Baths, Risca (Phase 1)	0.300
Longbridge Baths, Risca (Phase 2)	1.000
Former Meals on Wheels Centre, Pengam	0.300
Children's Centre for Children with Complex Needs	3.100
Closed Landfill Site at Ty Llwyd	0.200
21 st Century Schools, Match-funding for Newbridge/Cwmcarn	1.500
A472 Drainage Scheme, Nelson	0.600
Caerphilly Leisure Centre, Essential Works	0.200
Caerphilly Leisure Centre, Options Appraisal	0.010
TOTAL: -	8.763

- 4.2 **Purchase of 9 Twin Pack Refuse Collection Vehicles** – At its meeting on the 21st September 2016 Cabinet approved the purchase of 9 narrow chassis twin pack refuse collection vehicles to enable the separation of food and garden waste. Cabinet agreed that the total cost of these vehicles would be met from the £7.9m capital earmarked reserve. A procurement process has since been undertaken and the vehicles have been ordered at a total cost of £1.553m.
- 4.3 **Longbridge Baths, Risca (Phase 1)** - The former baths is currently utilised by Pontymister AFC as changing rooms. The structure is in poor condition, is an eyesore and requires demolition. The proposed funding of £300k will allow the changing rooms to be replaced by alternative facilities either on a temporary or permanent basis.
- 4.4 **Longbridge Baths, Risca (Phase 2)** - This proposal is to construct a new community facility/changing facilities (for 4 teams) to cater for mixed community use and both rugby and football. This will enable a move away from providing changing rooms that are used for a few hours a week to a facility that offers extensive community facilities and office hub facilities as well as the traditional sporting facilities. Extending hub facilities will aid a move towards agile working across the county borough. This facility can either be constructed on the site of the former baths (if the result of the flood consequence assessment prevents residential development) or on available land adjacent to the existing playing fields.
- 4.5 **Former Meals on Wheels Centre, Pengam** – This proposal is to convert this currently surplus building into office space to aid future office rationalisation. A potential service user request has already been received.
- 4.6 **Children's Centre for Children with Complex Needs** – The existing Children's Centre building and facilities are no longer fit-for-purpose and will become more unsuitable as time progresses. The needs of the children accessing this service are becoming more complex and the numbers of children requiring services of this nature are rising due to advances in medical interventions leading to an increase in life expectancy. It is therefore vital that plans are progressed to upgrade services before they become completely unsustainable.

The current Children's Centre in Caerphilly is based in Energlyn. This location is not ideal for families, with those living further afield having to either travel or be transported at a cost to the Council. The location is also not on any public transport routes further limiting the opportunities.

The size of the rooms available in the existing building and their layout are not conducive to the integrated model of service delivery and partnership working. Furthermore, the treatment rooms and facilities are limited in size and number. There are a number of other professionals who would benefit from being co-located or from holding clinics at the centre should more space be available. This would be of great benefit to families to prevent them needing to visit several different appointments in several different locations.

A secondary but important issue is the access families in Caerphilly have to leisure activities in comparison to those families living in neighbouring council areas. The current Children's Centre does not open to families on the weekend or in the evenings. Any leisure services that are provided face the same limitations as outlined for core services. The building is not in an ideal location within the Council area for families to easily access and is no longer fit-for-purpose.

The bid for £3.1m is to build a new facility that would reinforce and enhance the current integrated service model which is working well in Caerphilly but needs to be developed further. This proposal will be subject to consultation with key stakeholders and Cabinet will receive a further report in due course outlining firm project proposals along with details of feedback from the consultation process.

- 4.7 **Closed Landfill Site at Ty Llwyd** - £200k is required for a drainage scheme proposed by Engineers to deal with leachate issues at this site.
- 4.8 **21st Century Schools, Match-funding for Newbridge/Cwmcarn** – Cabinet will be aware of the decision of the Governing Body of Cwmcarn High School to seek to close the school. In order to plan for potential closure, the Council submitted a £3m business case to Welsh Government on the 21st July 2016. The business case was agreed by the School Strategy Board and proposed the following: -

- Additional classrooms at Newbridge School to manage the initial pupil bulge and to accommodate any Cwmcarn High School pupils at date of decision to discontinue who wish to transfer to Newbridge School.
- Undertaking demolition works at both Cwmcarn High school and Newbridge School.

The business case has been considered by the 21st Century Schools Team in the Welsh Government and the Cabinet Secretary for Education subsequently gave in principle approval of the business case on the 14th September 2016. This decision was without prejudice to the decision regarding the Governing Body's request under section 80 of the School Standards & Organisation (Wales) Act 2013 to discontinue Cwmcarn High School. The decision is also subject to the Council agreeing the business case proposal and meeting its 50% contribution towards the costs of the works outlined in the business case in the sum of £1.5 million.

- 4.9 **A472 Drainage Scheme, Nelson** - The A472 main road south east of Nelson is the main east west road across the valleys and has for many years suffered from road flooding when heavy periods of rainfall are experienced. Existing streams and their culverts are inadequate and require replacement with larger culverts. The existing highway drainage is insufficient to deal with reasonable flows and again does not perform when heavy periods of rainfall are experienced. This will need renewal and supplementing with additional gullies. Over the years the water has affected the structural integrity and profile of the road and this will need attention also. The cost of the required works is estimated to be £600k.
- 4.10 **Caerphilly Leisure Centre, Essential Works** – The proposed funding of £200k will enable urgent works to be undertaken in the sports hall including a replacement roof, upgrading of lighting and overlaying the flooring. The funding will also cover additional unforeseen works necessary to complete the Health Suite refurbishment project. These include replacement of the undersized drainage connections and replacement of the floor slab which was found to be lacking a continuous damp proof membrane.

- 4.11 **Caerphilly Leisure Centre, Options Appraisal** – It is proposed that £10k be allocated for an options appraisal previously undertaken by Alliance to be updated.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Effective financial planning, including the prudent management of capital resources, is a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

6. EQUALITIES IMPLICATIONS

- 6.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified regarding this report; therefore a full EIA has not been carried out.

7. FINANCIAL IMPLICATIONS

- 7.1 The prioritised bids presented in this report total £8.763m, which exceeds the approved £7.9m capital earmarked reserve by £863k.
- 7.2 It is proposed that the additional £863k is funded from a one-off insurance rebate of £919k received from the contractor for the Sirhowy Enterprise Way (SEW) PFI scheme.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no direct personnel implications arising from this report.

9. CONSULTATIONS

- 9.1 There are no consultation responses that have not been reflected in this report.

10. RECOMMENDATIONS

- 10.1 Cabinet is asked to: -

10.1.1 Approve the prioritised bids presented in this report totaling £8.763m.

10.1.2 Agree that the £863k additional cost in excess of the £7.9m approved capital earmarked reserve should be funded from the one-off insurance rebate of £919k received from the contractor for the Sirhowy Enterprise Way (SEW) PFI scheme.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure that available capital resources are deployed effectively.

12. STATUTORY POWER

- 12.1 The Local Government Acts 1998 and 2003.

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Background Papers:

Council (24/02/16) - Budget Proposals 2016/17 and Medium-Term Financial Strategy 2016/2021