

Capital Programme Review 2017-18 Project Appraisal Form

COMMITTEE & BID NUMBER

Environment Bid 1

PROJECT TITLE

Container Replacement Programme

ACCOUNTABLE OFFICER

<p>Officer responsible for project planning and delivery of the scheme. Accountable officers are also responsible for post project review.</p>	<p>Jon Sharpe (refuse and recycling bins) / Sam Whitehead (litter bins)</p>
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DETAILS OF PROJECT

<p>Project scope, what is included/excluded in the scheme</p>	<p>A rolling replacement programme for wheelie bins and litter bins. This represents approximately 3% of the value of stock.</p>
<p>Project outcomes and benefits</p>	<p>Services cannot be delivered without suitable containers. Each year, some containers are lost, stolen or damaged, so must be replaced or we will be unable to provide services to those residents.</p>

FINANCIAL SUMMARY

		Cost of Project £	Comments and detail where necessary. Provide appendices where relevant. Examples of business cases spreadsheets can be found in the Finance Handbook
a	Estimated cost of purchase, works and/or equipment	66,200	This represents around 3% of the stock in use across the Borough – see Annex 1
b	Consultancy or other fees	0	

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		Cost of Project £	Comments and detail where necessary. Provide appendices where relevant. Examples of business cases spreadsheets can be found in the Finance Handbook
c	Total Scheme Capital Costs (a+b)	66,200	
d	External Funding Identified (e.g. s106, grants etc.) Please give details, including any unsuccessful funding enquiries you may have made.	0	
e	Net Costs to Council (c-d)	66,200	
f	Internal Sources of Capital Funds Identified (e.g. repairs & renewals reserve etc.)	0	
g	Capital Reserves Needed to Finance Bid (e-f)	66,200	
h	Annual Ongoing Revenue Additional Savings as a Direct Result of the Project	N/a	This expenditure relates solely to the provision of bins for existing services.
i	Annual Ongoing Revenue Additional Costs as a Direct Result of the Project	N/a	

Year	2017/18 £	2018/19 £	2019/20 £
Spend Profile of Scheme – please identify which year (s) the scheme spend will fall into	66,200	0	0

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REVENUE IMPACT

Can Revenue Implications Be Funded From the Committee Base Budget? – Please give details	N/a
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CORPORATE PLAN 2016/20

Is this investment linked to EEBC's Key Priorities? If so, say which ones and evidence how. How does project fit within service objectives?	Yes. Sustainability, through the provision of refuse and recycling collections.
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TIMESCALES

What is the proposed timetable for completion of the project? Give estimated start and finish dates for each stage of the project. These dates will be used as milestones during quarterly budget monitoring to assess performance of project delivery.

		Target Start Date	Target Finish Date
1	Design & Planning	n/a	n/a
2	Further Approvals Needed	n/a	n/a
3	Tendering (if necessary)	n/a	n/a
4	Project start date	1/4/2017	
5	Project Finish Date		31/3/2018

BASELINE CRITERIA

All capital schemes are assessed against criteria set by the Capital Member Group annually. Bids should meet at least one of these criteria. State which capital criteria(s) for assessing bids are met and why. Leave blank any which are not met.

Spend to Save schemes should meet the following criteria;

- Payback of the amount capital invested within the project within 5 years (7 years for renewable energy projects).

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- The return required on capital employed should be linked to the potential cost of borrowing (MRP) rather than potential loss of investment income.
- Risk of not achieving return on investment is low.
- Clear definition of financial cost/benefits of the scheme.

Members may consider schemes with longer paybacks on major spend to save projects going forward, especially those that incur borrowing.

<p>Is there a guarantee of the scheme being fully externally funded and is it classed as a high priority? Please give details of funding streams, including any restrictions on the funding.</p>	<p>There is no external funding for this scheme.</p> <p>It is classed as a high priority. Service delivery is entirely dependent on the provision of suitable containers.</p>
<p>Is the Scheme a Spend to Save Project? Will investment improve service efficiency including cost savings or income generation? What is the payback in years?</p>	<p>No.</p>
<p>It is mandatory for the Council to provide the scheme? Is investment required to meet Health and Safety or other legislative requirements? If so state which requirements.</p>	
<p>Is this project the minimum scheme required to continue to deliver the services of the Council? - Is investment required for the business continuity of the Council? If so say how.</p>	<p>Yes. This is the minimum amount required for the provision of replacement containers needed for the continued provision of services.</p>

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ASSET MANAGEMENT PLAN

Is investment identified in the Council's Asset Management Plan?	Yes.
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PRIORITISATION

State which one of the four prioritisation categories are met and why.

1	Investment essential to meet statutory obligation.	Yes. Refuse, recycling and street cleansing are statutory services.
2	Investment Important to achieve Key Priorities.	Yes (Sustainability). Services could not be delivered without the provision of suitable containers.
3	Investment important to secure service continuity and improvement.	Yes. Services could not be delivered without the provision of suitable containers. It may be also noted that when the Council launches its new refuse and recycling services (Simply Weekly Recycling) in spring 2017, it will use the same containers as now. Therefore the provision of these containers is also required for service improvement.
4	Investment will assist but is not required to meet one of the baseline criteria.	This investment is required – without it the provision of current and future services would be compromised.

RISKS ASSOCIATED WITH SCHEME

1	Outline the risks of delivering this project to timetable and budget. (Please do not include risks to the service or asset if project is not approved.)	<p>Risk of containers not being readily available from manufacturers when required.</p> <p>With limited stock space at the depot, and without knowing in advance which types of container may be lost, stolen or damaged, it is impractical to buy bin stocks up front at the beginning of the year. Rather, orders are placed on-going as need arises. Typically, therefore, we buy c.500 wheelie bins at a time.</p> <p>While there can occasionally be difficulties with lead times on bin orders, we find that such issues are limited, and bins are generally available in only 3-4</p>
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		weeks from order. In any event, to mitigate such risks (a) officers buy bins through frameworks, which access several manufacturers at a time and allow us to see anticipated delivery times before placing orders, and (b) officers have excellent relationships with various suppliers, who can be called upon to rush orders or part-orders through in case of need.
2	Are there any risks relating to the availability of resources internally to deliver this project	The project is deliverable given current staffing levels. Should staffing levels change in the future this would need to be reconsidered.
3	Consequences of not undertaking this project	Not undertaking this project would compromise our ability to deliver refuse, recycling and street cleaning services.
4	Alternative Solutions (Other solutions considered – cost and implications)	None. Provision of safe, suitable waste containers is a central premise of service delivery.

Is consultation required for this project? Please give details of the who with and when by.	No.
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Ward(s) affected by the scheme	All.
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Accountable Officer Responsible for Delivery of the Scheme

Name and Signature: Jon Sharpe

Date 23/9/2016

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Whole life revenue costs of capital project

Where savings or budget virements are being used to part fund a project, the relevant budget manager must sign the appraisal form.

Accountable Officers for the revenue implications of the project

Project Manager Name and Signature: Jon Sharpe
23/9/2016

Date:

Revenue Budget Holder Name and Signature: Jon Sharpe
23/9/2016

Date:

Service Accountant Name and Signature Date
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