

Capital Programme Review 2017-18 Project Appraisal Form

**COMMITTEE & BID
NUMBER**

Environment Bid 2

PROJECT TITLE

Waste Strategy Containers (The Big Switch)

ACCOUNTABLE OFFICER

<p>Officer responsible for project planning and delivery of the scheme. Accountable officers are also responsible for post project review.</p>	<p style="text-align: center;">Jon Sharpe</p>
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DETAILS OF PROJECT

<p>Project scope, what is included/excluded in the scheme</p>	<p>A fund to provide for new containers required within the Big Switch project</p>
<p>Project outcomes and benefits</p>	<p>In spring 2017 the Council will launch new refuse and recycling collection arrangements, called Simply Weekly Recycling.</p> <p>As part of this, we will switch residents' green and black bins – The Big Switch. Some residents will not have the right bins for The Big Switch, and so this fund provides for the provision of new bins where required.</p> <p>Officers have estimated costs of up to £50,000 for this project, split equally between 2016/17 and 2017/18. Therefore, this bid is for the second of those two years.</p>

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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	25,000	This is the second year's part of this project, as above.
b	Consultancy or other fees	0	
c	Total Scheme Capital Costs (a+b)	25,000	
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)	25,000	
f	Internal Sources of Capital Funds Identified (e.g. repairs & renewals reserve etc.)	0	
g	Capital Reserves Needed to Finance Bid (e-f)	25,000	
h	Annual Ongoing Revenue Additional Savings as a Direct Result of the Project	130,000 (avoidance not savings)	Continuing our current arrangements from spring 2017 – but with new vehicles, required because the current vehicles have reached the end of their economic lives – would have cost the Council c.£150,000 extra per year compared to current costs. Simply Weekly Recycling is forecast to avoid c.£130,000 per annum of those additional costs.

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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
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	25,000	N/a	N/a

REVENUE IMPACT

Can Revenue Implications Be Funded From the Committee Base Budget? – Please give details	Revenue implications of adopting Simply Weekly Recycling will be accommodated within the Council's 2017/18 (and onward) budgeting process.
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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. Simply Weekly Recycling is forecast to increase recycling from 46% currently to 53% or more.
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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.

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		Target Start Date	Target Finish Date
1	Design & Planning	Simply Weekly Recycling was approved by the Committee in October 2015. Planning is ongoing for its launch in spring 2017.	Spring 2017
2	Further Approvals Needed	n/a	n/a
3	Tendering (if necessary)	n/a	n/a
4	Project start date	<p>We anticipate that Simply Weekly recycling will have been launched to all houses by mid-July 2017.</p> <p>The service will then be launched to flats during summer/autumn of 2017.</p> <p>However, we have for some while been encouraging residents to contact us to discuss their needs for The Big Switch. This will help us to spread both the cost and the operational burden of providing for their container needs.</p>	
5	Project Finish Date		See above – launch expected to be completed to all houses and flats by summer/autumn 2017

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.

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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).
- 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. Refuse and recycling service delivery, and the smooth launch of Simply Weekly Recycling, are 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>Yes. As above, it is forecast that the launch of Simply Weekly recycling will avoid some £130,000 per annum of additional costs that would have accrued had the Council decided to continue its current refuse and recycling arrangements beyond spring 2017.</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>Yes. Simply Weekly Recycling was approved by the Committee in October 2015. Its successful launch – incorporating The Big Switch – is dependent on the provision of suitable containers.</p>

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<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>This requirement has been estimated based on the survey of one of our four collection routes. A full Borough survey was not completed in order to save cost. Officers consider that this bid represents the most that is likely to be required to support The Big Switch.</p>
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ASSET MANAGEMENT PLAN

<p>Is investment identified in the Council's Asset Management Plan?</p>	<p>Refuse and recycling bins are included within the Council's Asset Management Plan.</p>
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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. Therefore, the Council must ensure that residents are provided with suitable containers for the approved collection arrangements.
2	Investment Important to achieve Key Priorities.	Yes (Sustainability). Services could not be delivered without the provision of suitable containers. Simply weekly R3recycling is forecast to increase recycling from its current level of 46% to 53% or more.
3	Investment important to secure service continuity and improvement.	Yes. Services could not be delivered, nor improved as with the launch of Simply Weekly Recycling, without the provision of suitable containers.
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.

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RISKS ASSOCIATED WITH SCHEME

1	<p>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>	<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. 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 weeks from order.</p> <p>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.</p>
2	<p>Are there any risks relating to the availability of resources internally to deliver this project</p>	<p>The project is deliverable given current staffing levels and the provision of agreed extra budget for the Simply Weekly Recycling launch and communications programme, as reviewed by the Committee in June 2016. Should staffing or budget levels change in the future this would need to be reconsidered.</p>
3	<p>Consequences of not undertaking this project</p>	<p>Not undertaking this project would compromise our ability to deliver the change to Simply Weekly Recycling. The Big Switch – with its significant increase in recycling capacity – is as central part of Simply Weekly Recycling.</p>
4	<p>Alternative Solutions (Other solutions considered – cost and implications)</p>	<p>None. Provision of safe, suitable waste containers is a central premise of service delivery and launch.</p>

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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

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

Date: 23/9/2016

Revenue Budget Holder Name and Signature: Jon Sharpe

Date: 23/9/2016

Service Accountant Name and SignatureDate
