

# Capital Programme Review 2018-19 Project Appraisal Form

**COMMITTEE & BID NUMBER**

Community & Wellbeing Bid 6

**PROJECT TITLE**

Bourne Hall - Replacement of old defective air conditioning to banqueting suites.

**ACCOUNTABLE OFFICER**

Officer responsible for project planning and delivery of the scheme. Accountable officers are also responsible for post project review.

Andrew Lunt

**DETAILS OF PROJECT**

|  |  |
|--|--|
| Project scope, what is included/excluded in the scheme | Replacing of the existing air conditioning cassettes in banqueting suites along with condensers located outside behind grills and re-using existing pipework. Adapt electrics to suit new units, degas old units and dispose of gas environmentally.   |
| Project outcomes and benefits                          | <p>These units are approximately 25 years old, the regulations have changed regarding use of refrigeration gases and new units are energy efficient &amp; conform to current regulations.</p> <p>This is considered business continuity. If works are not carried out this may affect income. Existing units leak and struggle to reduce temperatures when venue has large volumes of people, they are not efficient due to their age.</p> |

**FINANCIAL SUMMARY**

|   |   | Cost of Project<br>£ | Comments and detail where necessary.<br>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               |   |
| b | Consultancy or other fees   | 0                    |   |
| c | <b>Total Scheme Capital Costs (a+b)</b>   | 25,000               |   |
| d | External Funding Identified (e.g. s106, grants etc.)<br>Please give details, including any unsuccessful funding | 0                    |   |

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|   |   |        |   |
|---|---|--------|---|
|   | enquiries you may have made.  |        |   |
| e | <b>Net Costs to Council (c-d)</b>   | 25,000 |   |
| f | Internal Sources of Capital Funds Identified (e.g. repairs & renewals reserve etc.) | 0      |   |
| g | <b>Capital Reserves Needed to Finance Bid (e-f)</b>                                 | 25,000 |   |
| h | Annual Ongoing Revenue <b>Additional Savings</b> as a Direct Result of the Project  |        | There are savings in use of energy with new equipment but these units are only required in the summer months therefore only small saving in energy use and, as difficult to quantify, will leave this figure blank. |
| i | Annual Ongoing Revenue <b>Additional Costs</b> as a Direct Result of the Project    | 0      |   |

| Year  | 2018/19<br>£ | 2019/20<br>£ | 2020/21<br>£ |
|---|--------------|--------------|--------------|
| <b>Spend Profile of Scheme</b> – please identify which year (s) the scheme spend will fall into | 25,000       |              |              |

### REVENUE IMPACT

|  |     |
|--|-----|
| Can revenue implications be funded from the Committee Base Budget? – Please give details | n/a |
|--|-----|

### CORPORATE PLAN 2016/20

|  |    |
|--|----|
| <b>Is this investment linked to EEBC's Key Priorities?</b> If so, say which ones and evidence how. How does project fit within service objectives? | no |
|--|----|

### 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        | April/May 2018    |                    |
| 2 | Further Approvals Needed | No                |                    |
| 3 | Tendering (if necessary) | June 2018         |                    |
| 4 | Project start date       | July 2018         |                    |
| 5 | Project Finish Date      | July 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).
- 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><b>Is there a guarantee of the scheme being fully externally funded and is it classed as a high priority?</b> Please give details of funding streams, including any restrictions on the funding.</p> |  |
| <p><b>Is the Scheme a Spend to Save Project?</b> Will investment improve service efficiency including cost savings or income generation? What is the payback in years?</p>                              |  |

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| <p><b>It is mandatory for the Council to provide the scheme?</b> Is investment required to meet Health and Safety or other legislative requirements? If so, state which requirements.</p>          |  |
| <p><b>Is this project the minimum scheme required to continue to deliver the services of the Council?</b> - Is investment required for the business continuity of the Council? If so, say how.</p> | <p>Existing air conditioning units have reached the end of their life with constant repairs required. The project is essential to keep hirers of banqueting suits. Considered business continuity.</p> |

### ASSET MANAGEMENT PLAN

|   |            |
|---|------------|
| <p>Is investment identified in the Council's Asset Management Plan?</p> | <p>yes</p> |
|---|------------|

### PRIORITISATION

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

|   |   |     |
|---|---|-----|
| 1 | <p>Investment essential to meet statutory obligation.</p>                               |     |
| 2 | <p>Investment Important to achieve Key Priorities.</p>                                  |     |
| 3 | <p>Investment important to secure service continuity and improvement.</p>               | yes |
| 4 | <p>Investment will assist but is not required to meet one of the baseline criteria.</p> |     |

### 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>No risks</p> |
| 2 | <p>Are there any risks relating to the availability of resources internally to deliver this project</p>  | <p>No risks</p> |

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|   |   |   |
|---|---|---|
| 3 | Consequences of not undertaking this project                                  | May prove difficult to hire out the banqueting suites in the summer due to unreasonable temperature conditions. More people in the rooms means the hotter they will get.                                |
| 4 | Alternative Solutions<br>(Other solutions considered – cost and implications) | Could hire portable air conditioning units but these may not be capable of lower temperatures in rooms that big even if these units are available to hire when temperatures are high as demand is high. |

|  |   |
|--|---|
| <b>Is consultation required for this project?</b> Please give details of who with and when by. | Yes need to liaise with venues team to find appropriate time to carry out works when area not booked out. |
|--|---|

|                                       |            |
|---------------------------------------|------------|
| <b>Ward(s) affected by the scheme</b> | Ewell Ward |
|---------------------------------------|------------|