

**Capital Budget Virement Application Form***[Please see guidance notes on page 2532 of the Intranet]*

To Head of Finance

From Schools (Directorate)  
Schools (Service)  
Mr Ian Roberts (Head of Service)  
Mr Gareth Jones (Budget Holder)  
- (Project Manager)

Date 03/07/2014

**Details of Virement** (please refer to notes to ensure all the relevant details are included and extend box to additional page if required)

The school has ageing lighting and it will need replacing in the immediate future. Currently there is a Welsh Assembly Government Scheme for energy efficiency savings in the form of an interest free loan, repayable over a period of years. This scheme is administered by a company called Salix.

To comply with the scheme an audit of our existing lighting was conducted by a company called Dextra and the energy usage before and after upgrading the lighting calculated. Based on this audit, the historic annual energy use for lighting and the current unit price paid by the school for electricity the annual costs of electricity was calculated for usage before and after the lighting upgrade. From these figures an annual saving was established.

A quote of replacement of all of the lighting in Caereinion High School, internal and external, with new energy efficiency lighting was obtained from EOM, a contractor on the County's approved list and acceptable to Salix.

The quote for replacing all of Caereinion High School's lights with energy efficient ones was £46088.00. The estimated annual saving in electricity from the audit amounted to £6544.85, with an energy saving of approximately 36.5Kw.

It is expected that within the scheme the repayment period will be 6 years, with 2 repayments per year of £3840.66, giving a total repayment of £46087.92.

The effect on the school budget over the period of 6 years should be cost neutral, the repayments being offset by the saving in electricity and an element of the repairs and maintenance budget for the replacement of the lights. After the 6 years there should be a saving of approximately £6500 per annum. The expected life of the new lights is 15 years.

New Scheme Name Caereinion High School Lighting Job Code     

**Budget Increases**

Scheme Name	Caereinion High School Lighting
Job Code	

	Total Cost	Prior Years	2014-15	2015-16	2016-17	Future Years
	£	£	£	£	£	£
Existing Budget	0.00		0.00			
Revised Budget	46,088.00		46,088.00			
Increase Required	46,088.00	0.00	46,088.00	0.00	0.00	0.00

**Financing**

Name of Scheme Reduced	
Job Code	

	Total Cost	Prior Years	2014-15	2015-16	2016-17	Future Years
	£	£	£	£	£	£
Existing Budget	0.00		0.00			
Revised Budget	46,088.00		46,088.00			
Decrease Required	46,088.00	0.00	46,088.00	0.00	0.00	0.00

**Additional / New Resources**

Capital Receipts	0.00					
Loan	46,088.00		46,088.00			
Supported Borrowing	0.00					
Revenue/Reserves	0.00					
<b>Total</b>	<b>46,088.00</b>	<b>0.00</b>	<b>46,088.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Total Financing must match increase required above**

**Other Financial Implications** (e.g. future years capital & revenue – must not be left blank)

It is expected that within the scheme the repayment period will be 6 years, with 2 repayments per year of £3840.66, giving a total repayment of £46087.92.

The effect on the school budget over the period of 6 years should be cost neutral, the repayments being offset by the saving in electricity and an element of the repairs and maintenance budget for the replacement of the lights. After the 6 years there should be a saving of approximately £6500 per annum.

**Approvals**

**Signatures**

In all cases	Head of Service		Date	23.9.14
In all cases	Head of Finance		Date	30.9.14
£25,001 - £75,000	Portfolio Cabinet Member		Date	2/10/14
£75,001 - £300,000	Cabinet Minute Ref.		Date	
Over £300,000	Council Minute Ref.		Date	

**FMS Updated (office use only)**

Accountant: Signature

Print Name

Date

**Copy of Authorised form returned to Head of Service**

Signature

Print Name

Date



**Capital Budget Virement Application Form**

*[Please see guidance notes on page 2532 of the Intranet]*

To **Head of Finance**

From Place (Directorate)  
Schools (Service)  
Ian Roberts (Head of Service)  
Gareth Jones (Budget Holder)  
David Thompson (Project Manager)

Date 23<sup>rd</sup> September 2014

**Details of Virement** (please refer to notes to ensure all the relevant details are included and extend box to additional page if required)

**Background**  
 Glantwymyn is part of the Llanidloes / Machynlleth Catchment and the school is to be developed as part of the Band A 21<sup>st</sup> Century School programme. It is anticipated the work will be completed by 31<sup>st</sup> March 2016 and the proposed works are contained within the authorities 21<sup>st</sup> Century Capital programme.

**Options considered:**  
 Option 1 – do nothing  
 Option 2 - The scope of the project work is to be agreed, the business justification is to be developed for approval by the Welsh Government. The design is to be developed to the tender and construction stages.

**Risks**  
 Option 1 – the authority will not meet its commitment to the 21<sup>st</sup> Century Schools programme.  
 Option 2 – development of the business justification case and design work will enable the progression of the project as part of the 21<sup>st</sup> Century Schools programme.

**Service objectives/benefits**  
 Powys Change Plan - Maintaining the School building to a fit for purpose standard ensuring they are capable of delivering high quality educational experiences for all pupils. The development of these facilities will ensure the authority undertakes improvements to school educational facilities.

**Financing**  
 This type of investment represents an improvement of the school infrastructure and facilities and is not normally the type of project funded by the schools delegated budget. Therefore it is recommended this be funded from the 21<sup>st</sup> Century programme School capital.

**Overall Costs**  
 The estimated costs for the business case and design fees are £25,000. On the 22<sup>nd</sup> September 2014, it was agreed in principle by the Senior Manager – Central Support Services (Schools Service) to fund these works.

**Rationale for recommendation**

It is recommended and agreed to proceed with Option 2.

Date of report: 22<sup>nd</sup> September 2014

By: David Thompson

**New schemes name:** Ysgol Glantymwyn business case & design works

**Job code:** -

**Budget Increases**

Scheme Name		As above				
Job Code		As above				
	Total Cost	Prior Years	2014-15	2015-16	2016-17	Future Years
	£	£	£	£	£	£
Existing Budget	0.00		0.00	0.00	0.00	0.00
Revised Budget	25,000.00		15,000.00	10,000.00	0.00	0.00
Increase Required	25,000.00	0.00	15,000.00	10,000.00	0.00	0.00

**Financing**

Name of Scheme Reduced: 21<sup>st</sup> Century Schools programme (Llanidloes / Machynlleth Catchment)

Job Code: To be confirmed by Finance Team

	Total Cost	Prior Years	2014-15	2015-16	2016-17	Future Years
	£	£	£	£	£	£
Existing Budget	500,000.00		0.00	500,000.00	0.00	0.00
Revised Budget	475,000.00		0.00	475,000.00	0.00	0.00
Decrease Required	-25,000.00	0.00	0.00	-25,000.00	0.00	0.00

**Additional / New Resources**

Grants/LGBl	250,000.00			0.00	250,000.00	
Capital receipts	250,000.00			0.00	250,000.00	
Prudential Borrowing	0.00			0.00	0.00	
Revenue/ Reserves	0.00			0.00	0.00	
Total	500,000.00	0.00	0.00	0.00	500,000.00	0.00

Total Financing must match increase required above

**Other Financial Implications** (e.g. future years capital & revenue – must not be left blank)

The overall project is subject to statutory approvals, tendering and the agreement of contract final accounts.

**Approvals**

**Signatures**

In all cases	Head of Service		Date	23.9.14
In all cases	Head of Finance		Date	1/10/14
£25,001 - £75,000	Portfolio Cabinet Member		Date	2/10/14
£75,001 - £300,000	Cabinet Minute Ref.		Date	
Over £300,000	Council Minute Ref.		Date	

**FMS Updated (office use only)**

Accountant: Signature

Print Name

Date

**Copy of Authorised form returned to Head of Service**

Signature

Print Name

Date

