

Capital Budget Virement Application Form*[Please see guidance notes on page 2532 of the Intranet]*To **Head of Finance**From Learning & Leisure (Directorate)Schools (Service)Neil Mathews (Senior Manager A&HL)Neil Mathews (Budget Holder)David Thompson (Project Manager)Date 4th June 2013**Details of Virement** (please refer to notes to ensure all the relevant details are included and extend box to additional page if required)

See attached written report.

New Scheme Name Llanfyllin Sports Centre – Improvements

Job Code: to be confirmed by Finance Team

Budget Increases

Scheme Name	As above					
Job Code	9C110 9SC428					
	Total Cost	Prior Years	2012-13	2013-14	2014-15	Future Years
	£	£	£	£	£	£
Existing Budget	26,030.00		9,396.44	16,633.56		
Revised Budget	57,016.00		9,396.44	47,619.56		
Increase Required	30,986.00	0.00	0.00	30,986.00	0.00	0.00

FinancingName of Scheme Reduced: Llanidloes Sports Centre ImprovementsJob Code: 9C110 9SC429

	Total Cost	Prior Years	2012-13	2013-14	2014-15	Future Years
	£	£	£	£	£	£
Existing Budget	232,980.00		139,997.00	92,983.00		
Revised Budget	201,994.00		139,997.00	61,997.00		
Decrease Required	-30,986.00	0.00	0.00	-30,986.00	0.00	0.00

Additional / New Resources

Capital Receipts	0.00		0.00			
<i>General Capital</i> Grant	232,980.00		139,997.00	92,983.00		
Supported Borrowing	0.00		0.00			
Revenue/ Reserves	0.00					
Total	232,980.00	0.00	139,997.00	92,983.00	0.00	0.00

Total Financing must match increase required above

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

All capital works are subject to the completion and agreement of the final contract works account.

Approvals

Signatures

Capital Budget Virement Report to Portfolio Holder for Learning & Leisure and Cabinet Members – Llanfyllin Sports Centre Improvements

Background

The Council approved funding of £1.23million for Essential Leisure Services works. As part of this programme £26,030 was allocated to Llanfyllin Sports Centre to undertake works to repair the air handling and replace the Calorifier to the main pool. Work has been completed to replace the Calorifier serving the main pool. A specialist survey has been undertaken to assess the condition of the air handling unit serving the main pool. This unit was installed in 1985 and reaching the end of its serviceable life.

Options considered

- **Option 1** – Do nothing

- **Option 2** – Replacement of the air handling unit to the main pool

Risks

- If Option 1 is chosen then the internal fabric of the building will continue to deteriorate rapidly as levels of moisture in the main pool space will degrade the internal finishes of the main pool building. The resultant effect will be the main pool becoming unusable, loss of revenue income and customer base from both the local schools and public usage.
- If Option 2 is chosen, it will maintain the balance of air and moisture levels in the main pool and avoid any further significant deterioration of internal finishes. The replacement unit will provide estimated cost savings of £7,900 per year. It will also reduce CO₂ emissions from electricity and gas by approximately 31 tonnes per year aligning with Council Change Plan and Welsh Government policy objectives.

Service objectives/benefits

Powys Change Plan - Maintaining the Leisure Service building to a fit for purpose standard ensuring they are capable of delivering high quality educational experiences for all pupils. The new air handling unit responds to the change plan objective by reducing the carbon footprint.

Financing

This type of investment represents an upgrading of the primary infrastructure of the Leisure Sports Centre and is not normally the type of project funded by the sports centres revenue budget. Therefore it is recommended this be funded from uncommitted leisure service capital budget within aforementioned programme.

Overall Costs

The overall estimated costs of all works including those agreed as part of the £1.23million programme of essential works is:

New Calorifier	£ 7,236-34
New Air handling unit	£42,292-53
New controls and electrical works	£ 6,000-00
Contingency for unforeseen work	<u>£ 1,500-00</u>
Total Estimated Costs	£57,028-87

It was agreed in principle by the Senior Manager Active and Healthy Lifestyles to fund these works centrally due to their essential nature to maintain service delivery at the site.

Rationale for recommendation

It is recommended to proceed with Option 2 in order to maintain the function and service of the main pool facilities.

Date of report: 4th June 2013

By: David Thompson