

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

To Head of Finance

From Place (Directorate)Schools (Service)Stephen Rogers (Head of Service)Gareth Jones (Budget Holder)David Thompson (Project Manager)Date 15th August 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 _____

Job Code: to be confirmed by Finance Team

Budget Increases

Scheme Name		2013 Llangyndir CP - replacement of boilers				
Job Code		9E110 9SE214				
	Total Cost	Prior Years	2012-13	2013-14	2014-15	Future Years
	£	£	£	£	£	£
Existing Budget	53,806.00	0.00	0.00	53,806.00		
Revised Budget	104,560.00	0.00	0.00	104,560.00		
Increase Required	50,754.00	0.00	0.00	50,754.00	0.00	0.00

Financing

Name of Scheme Reduced: Schools Major Improvements Unallocated						
Job Code: 9E110 9SCHU						
	Total Cost	Prior Years	2012-13	2013-14	2014-15	Future Years
	£	£	£	£	£	£
Existing Budget	455,443.01		0.00	455,443.01		
Revised Budget	455,443.01		0.00	455,443.01		
Decrease Required	0.00	0.00	0.00	0.00	0.00	0.00

Additional / New Resources						
Capital Receipts	0.00					
Grant	0.00					
Supported Borrowing	455,433.01		0.00	455,433.01		
Revenue/ Reserves	0.00					
Total	455,433.01	0.00	0.00	455,433.01	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)

The works are on site and in progress and the contract works will be subject to completion and agreement of the final contract account.

Approvals		Signatures		
In all cases	Head of Service		Date	17/8/2013
In all cases	Head of Finance		Date	29/8/2013
£25,001 - £75,000	Portfolio Cabinet Member		Date	
£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 Report to Portfolio Holder for Learning & Leisure and
Cabinet Members – Llangyndir CP School new boiler, controls and new
heating system works**

Background

The original budget allocation was based on a feasibility study to replace the boiler and partially replace the heating system where there are three unserviceable mechanical ventilation heaters housed in cupboards within rooms.

In May 2013, the School Service agreed to amend the scope of work to replace the whole heating system. This work has subsequently been tendered and on the 18th July 2013, it was agreed in principle by the Senior Manager – Central Support Services (Schools Service) to approve additional funding for these works. The works must commence during the school summer holidays due to health & safety issues and are currently progressing on site.

Options considered

- o Option 1 – Do nothing.
- o Option 2 – Replacement of boiler and heating system.

Risks

- o If Option 1 is chosen the authority will not comply with the School Premises Regulations to maintain the temperature in the school which if left to the heating season would result in the closure of the building. If the boiler, controls and heating system is not replaced, this will not comply with the Welsh Government (WG) policy to reduce CO₂ emissions.
- o If Option 2 is chosen then the replacement of the boiler, controls and heating system works will comply with School Premises Regulations and the Welsh Government policy to reduce CO₂ emissions.

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 improvement of these facilities will ensure the authority complies with statutory legislation and Powys CC and WG policy to ensure the facilities are a fit for purpose standard.

Financing

This type of investment represents an upgrading of the school infrastructure and is not normally the type of project funded by the schools delegated budget. Therefore it is recommended this be funded from the central school service capital budget.

Overall Costs

The overall estimated costs of these works include:

▪ New boiler, controls and heating system works	£ 69,605
▪ Builders work in connection and making good after asbestos removals works	£ 4,000
▪ New boiler controls and field wiring	£ 10,000
▪ Asbestos removal	£ 4,650
▪ Asbestos background air testing	£ 800
▪ Asbestos survey	£ 400
▪ Client contingency	£ 4,500
▪ Design & Laboratory Fees	<u>£ 10,605</u>
▪ Total Overall Estimated Costs	£104,560

On the 18th July 2013, it was agreed in principle by the Senior Manager – Central Support Services (Schools Service) to fund these works centrally due to their essential nature and to maintain service delivery at the site.

Rationale for recommendation

It is recommended to proceed with Option 2.

Date of report: 15th August 2013

By: David Thompson