

CHILTERN'S CREMATORIUM JOINT COMMITTEE - 24 FEBRUARY 2010

REPORT OF THE TREASURER

3 CAPITAL PROGRAMME 2009/10 TO 2013/14

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1. Details of the proposed Chilterns Crematorium Capital Programme covering the period 2009/10 to 2013/14 are shown in **Appendix 3.1**.
2. The following tables shows the proposed changes from the current approved Capital Programme position:-

	£
Current Approved Programme 2009/10 to 2011/12	1,681,283
<i>Underspend carried forward from 2008/09:-</i>	
Milton Chapel	44,288
Mercury Abatement consultancy	41,125
<i>Schemes removed from programme or reduced provision:-</i>	
Landscaping A404 boundary	(19,000)
Cabling works	(24,308)
Mercury Abatement and Heating Transfer/Recover projects – reduced budget	(266,169)
<i>Schemes added to programme or increased provision:-</i>	
Replacement Analysers	56,400
Relining cremators – provision for further two years and to allow for only one relining per year	65,903
Boundary fencing - adjustment	544
Proposed Programme 2009/10 to 2013/14	1,580,066

3. The following paragraphs give an overview of each of the capital projects included within the programme and the changes outlined above:-
 - a) Milton Chapel Project

The agreed capital budget for this project was £2,365,830. An update report was presented to the last meeting of the Joint Committee, since then, a number of the defects and remedial works have been completed but there are still some items outstanding and Liquidated and Ascertained Damages on the main contract are

currently being withheld. The budget provision is being carried forward until such time as the project is fully resolved.

b) Mercury Abatement and Heat Transfer/Recovery project

The original budget provision for this project was £1,551,000, comprising capital works of £1,200,000, fees of £120,000 and unrecoverable Vat of £231,000. The input Vat is not recoverable on this project as it relates solely to the exempt activity of cremation. The replacement heating system element of the project, the majority of which is complete, has been shown separately in the capital programme with a budget of £127,560 including irrecoverable Vat. The remainder of the heating works will be undertaken in 2011/12 once the abatement equipment has been installed. A report regarding the award of the tender for the mercury abatement project is in the private part of this agenda. Subject to the recommendations being agreed, the total capital budget for this project will be £1,157,268. The overall impact on the current approved Capital Programme is a reduction in provision of £266,169.

c) Relining Cremators

To ensure the continued efficiency and function of the cremators it is necessary to replace the refractory bricks on average once every three years. Although all the cremators were installed at the same time, through careful management the Superintendent at the Crematorium has been able to move to a rolling programme basis whereby one cremator is relined each year. This minimises disruption and maintains adequate facilities and service cover. The remaining UK manufacturer of these bricks has ceased to trade and advice from the installation and maintenance company is that costs will increase by 15% pa after 2010/11. This has been reflected in the costs shown in the capital programme.

d) Replacement Analysers

A provision of £56,400 has been added to the capital program for 2010/11 for the replacement of analysing equipment which monitors the cremator emissions. The original analysers were installed along with the cremators in 1996/97, however they are no longer supported by the company who supplied them and spare parts will become an issue over time. It makes commercial sense that these are replaced in conjunction with the current mercury abatement works to ensure the most effective and efficient equipment is being utilised.

e) Landscaping A404 Boundary

The estimate of £19,000 in respect of this area has been removed from the capital programme. The Superintendent in discussion with, and after advice from, the Principal Engineer at Chiltern District Council has concluded that extensive clearing and re-landscaping of the land is unnecessary and would not represent good value for money. Some tidying up of the site is underway and minimal planting of a screening hedge along the boundary is being undertaken and is being met from existing revenue budgets.

f) Cabling

This work has been completed and the capital provision is no longer required.

g) Boundary Fencing

In January 2009 the Joint Committee agreed that a stock fence be erected to replace the original boundary fence to deter deer from entering the grounds and causing damage to the gardens and roses. This work was completed during 2009/10.

4. It should be noted that at this stage no capital provision has been made for any further strategic developments in future years.

RECOMMENDATION

That the Joint Committee agree the proposed Capital Programme for 2009/2010 to 2013/2014.

Background Papers: None