

CHILTERN'S CREMATORIUM JOINT COMMITTEE – 27 JANUARY 2011

REPORT OF THE TREASURER

6.1 CAPITAL PROGRAMME 2010/11 TO 2014/15

Contact Officers: Alison Howes (01494 732260) and Tina Pearce (01494 732233)

1. Details of the proposed Chilterns Crematorium Capital Programme covering the period 2010/11 to 2014/15 are shown in *Appendix 6.1*.
2. The following tables shows the proposed changes from the current approved Capital Programme position:-

	£
Current Approved Programme 2010/11 to 2013/14	1,319,475
<i>Underspend carried forward from 2009:-</i>	
Abatement Consultancy	16,798
Schemes removed from programme or reduced provision	
Replacement Analysers	(11,346)
<i>Schemes added to programme or increased provision:-</i>	
Milton Chapel Fees	1,035
Replacement Hearths	8,040
Resurfacing Works	150,000
Relining cremators	58,448
Mercury Abatement – Provisional VAT Adjustments and additional Computer upgrades	25,068
Site Development	3,924,000
Proposed Programme 2010/11 to 2014/15	5,491,518

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 project has been the subject of regular reporting to the Joint Committee the balance outstanding remains the balance of contingency £710 and Liquidated and Ascertained Damages £19,837 on the main contract 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

Initial payments in respect of this project were made in 2009/10, the main element being the first phase heating system work. Payments have been made in the current year for the main abatement work and additional provision has been made for further payment in the current year but the timing of payments in respect of the project have been re-phased. The project was originally costed using VAT at 17.5%, however the increase in VAT to 20% will increase the overall cost of the project dependent on timing of works and invoicing yet to be received. An additional provision for upgrading of the computers has been added, the current systems are inadequate for the new requirements.

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. This rolling programme of costs continue and currently reflects the projected 15% annual increase in cost as advised last year. The reline in 2011/12 may provide a more accurate basis for future costs.

d) Replacement Analysers

The Analysers have been replaced but the cost was lower than anticipated giving a reduction to the programme of £11,346

e) Site Development

Initial indicative values have been provided for future site development with the exception of the specific consultant fees agreed at the previous meeting for site acquisition. The cost of this project within the programme is currently inclusive of VAT at 20%. Future VAT planning once the project progresses may negate a small amount of the VAT cost.

f) Roadway Resurfacing

The Superintendent has indicated that the roadways may be in need of resurfacing in the near future. The value placed in the programme at this time is best estimate to assist with the Medium Term Financial Strategy process.

g) Structural Survey

A survey has been undertaken to review the on going and long term needs of maintaining the properties and infrastructure at the Crematorium. The report from the consultants is outstanding at this time and no provision has yet been made for any potential capital expenditure which is likely to be required.

RECOMMENDATION

That the Joint Committee agree the proposed Capital Programme for 2010/11 to 2014/2015.

Background Papers: None