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Democratic Services
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Dear Councillor

CABINET - WEDNESDAY 17 JULY 2013

I refer to the agenda of the above meeting (a copy of which has previously been circulated). Please find attached an appendix for the following item which was omitted in error:-

Month 1 Capital Approvals

**Simon Hughes
Democratic Services**

9. **Month 1 Capital Approvals (Pages 365 - 370)**

Report of the Executive Director, Resources

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Strategic Outcome and Scheme Description	Approval Type	Value £000	Procurement Route
GREAT PLACE TO LIVE			
Roads			
<p>Better Buses Area Fund Programme (BBAF)</p> <p>The Capital Programme report to the Special Budget Council on 1st March 2013 referred to the above fund as a potential source of funding for Highways schemes. There are four schemes below which will contribute to achieving the “Smart Management” outcome of the BBAF initiative by ensuring that the wider road network is effectively managed and enforced to maximise journey speed and efficiency at identified pinch points.</p>			
<p>Manchester Road/Glossop Road Enforcement</p> <p>This new allocation is to design and apply bus lane and loading and waiting restrictions on Glossop Road, Manchester Road and Brocco Bank to an enforceable standard. The project will improve the flow of buses. This project is funded by the Sheffield enforcement package within the successful ‘Better Buses’ bid approved by the Integrated Transport Authority on 1st March 2013.</p>	Addition	35	Schedule 7 Highways PFI contract
<p>Relocatable Camera Enforcement</p> <p>This is a variation to include the 13/14 budget and add new areas to the project. The funding will enable the design and implementation of changes on Meadow Hall Road, Brightside Lane, Barnsley Road and Penistone Road in 2013/14 in addition to the scheme funding this work in other areas. The increase in funding is from the 2013/14 allocation within the Sheffield Enforcement package within the successful Better buses bid approved by the Integrated Transport Authority on March 1st 2013</p>	EMT Variation	47	Schedule 7 Highways PFI contract

<p>Boston Street Bus Gate This variation is being made to increase funding to enable the delayed design then implementation of the changes at Boston Street bus gate in 2013/14. The increase is funded by the 2013/14 allocation within the Sheffield enforcement package within the successful 'Better Buses' bid approved by the Integrated Transport Authority on 1st March 2012.</p>	Cabinet Member Variation	108	Schedule 7 Highways PFI contract
<p>South Lane Bus Gate This variation is being made to increase funding to enable the implementation of the new South Lane bus gate in 2013/14. The outline design, consultation and necessary Regulation orders were all undertaken in 2012/13. The increase is funded by the 2013/14 allocation within the Sheffield enforcement package within the successful 'Better Buses' bid approved by the Integrated Transport Authority on 1st March 2013. This increase will enable a reduction in the originally planned revenue contribution to this scheme.</p>	EMT Variation	65	Schedule 7 Highways PFI contract
<p>NIRR Archaeology This variation is being made to include funding to complete the archaeology works started on the Northern Inner Relief Road in 2012/13. The works were as a consequence of the implementation of the route following a successful bid for major scheme funding to the Department for Transport. The increase is funded by the 2013/14 allocation within the LTP, the outline programme was approved at Cabinet Highways Committee in November 2012, while the allocation was then approved by the Integrated Transport Authority on 7th February 2013.</p>	EMT Variation	50	Previously Tendered for
<p>Small Schemes to Enhance Highways Maintenance This variation is being made to include funding to expand the existing programme of small schemes works that will be delivered in parallel with the Streets Ahead project. There will be work in around 20 different areas in 2013/14, this code will be one of four that will enable funds to be spent across the City, split by geographical area. Example schemes include dropped kerbs, guardrails and signing and lining changes. The budget</p>	Cabinet Member Variation	150	Single source tender and in accordance with Schedule 7 of the Highways PFI contract

increase is funded by the 2013/14 allocation within the LTP, the outline programme was approved at Cabinet Highways Committee in November 2012, while the allocation was then approved by the Integrated Transport Authority on 7th February 2013. There is a total of £113,902 slippage from 2012/13.			
Homes			
Housing Environmental Programme The Environmental Programme within the Decent Homes Project was awarded £10m from that project to undertake Environmental improvements to complement the Decent Homes works. The funding was allocated to areas pro rata to the number of properties in that area. Area boards agreed that it was to be a customer led programme. Savings have been made on contracts on the programme as a whole and the tenants would like this to be spent on fencing work in the areas below.	Scope Variation	Nil	Tender via Construction Line
South East DH Environmental (see above)	Scope Variation	N/A	Tender via Construction Line
South West DH Environmental (see above)	Scope Variation	N/A	Tender via Construction Line
North DH Environmental (see above)	Scope Variation	N/A	Tender via Construction Line
INFRASTRUCTURE :-			
Voluntary Registration This project will register the titles of all Sheffield City Council assets with the Land Registry. There are approximately 15,000 unregistered property titles currently owned by the Council, with most of the Council's titles remaining unregistered. In some cases, it leads to the Council having to re-negotiate terms or lose reputation due to missing deeds and/or title issues. As third party possession can result in the Council's title to a given piece of property	Addition	475	In-house provider

<p>being weakened or removed, the Council’s risk is that it is at the mercy of ‘land grab’/theft through not being notified of a third party’s application for title where the property is not registered. The project helps to identify and clarify the ownership of land (within a legal “deed packet”) this should be seen as adding value to that parcel of land. The project cost is substantially made up personnel time involved in project management and delivery. To be funded from the Corporate Resource Pool.</p>																											
<p>Office Accommodation Efficiency Strategy (‘Workplace’): This programme was founded to reduce the Council’s accommodation costs to deliver services more efficiently at a lower cost and help release resources for front line services. It will deliver substantial accommodation savings and is a key part of the Council’s cost reduction strategy to meet the challenging financial climate.</p> <p>The whole programme is funded via Prudential Borrowing (at 5%) over 10 years, with the capital and interest repayments being met by the Workplace Strategy budgets. The net effect of this redistribution of funding across the revised programme is <u>nil</u>. The revised cost forecast of each key component is shown below:-</p> <table border="1" data-bbox="203 951 1444 1295"> <thead> <tr> <th></th> <th>Previous Position £,000</th> <th>Proposed Position £’000</th> </tr> </thead> <tbody> <tr> <td>Moorfoot</td> <td>6,385</td> <td>6,385</td> </tr> <tr> <td>Crystal Peaks</td> <td>330</td> <td>0</td> </tr> <tr> <td>Howden House</td> <td>1,050</td> <td>1,050</td> </tr> <tr> <td>Project Delivery Costs</td> <td>1,500</td> <td>1,500</td> </tr> <tr> <td>IT Software</td> <td>150</td> <td>480</td> </tr> <tr> <td>Other</td> <td>16</td> <td>16</td> </tr> <tr> <td>Total</td> <td>9,431</td> <td>9,431</td> </tr> </tbody> </table>		Previous Position £,000	Proposed Position £’000	Moorfoot	6,385	6,385	Crystal Peaks	330	0	Howden House	1,050	1,050	Project Delivery Costs	1,500	1,500	IT Software	150	480	Other	16	16	Total	9,431	9,431	<p>Scope Variation</p>	<p>Nil</p>	<p>(see below)</p>
	Previous Position £,000	Proposed Position £’000																									
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<p>- IT Workstream This project covers the IT costs associated with the delivery of the “Workplace” programme within the Council's Accommodation Strategy. Changes in the IT infrastructure are vital to enable staff to adopt flexible work-style practices. New software functionality to be purchased includes “follow-me” printing (where users can send prints to any machine on the network) and automatic telephone number re-routing, driven by computer logon, to the workstation at which the employee is working on the day enabling the employee to work at a different desk every day with existing equipment avoiding the need to buy new kit. The increase in cost is to be funded from within the overall budget allocation for the Workplace Strategy by the reduction of expenditure at the Crystal Peaks site.</p>	<p>Addition</p>	<p>+330</p>	<p>Internal: Project Management and IT application costs to be delivered solely through the contract with Capita.</p>
<p>- Crystal Peaks This project was originally set up to increase the potential of the Council’s Crystal Peaks building to accommodate the required numbers of staff associated with the agreed Workplace Strategy. Due to reducing staff numbers within the Authority a review of the accommodation needs at this location has concluded that future demands can be met with the existing layout so no further expenditure is required. Hence the project is to be discontinued, with its allocated budget transferred to other projects within the Workplace Strategy programme.</p>	<p>Variation</p>	<p>-330</p>	<p>N/A: Variation</p>
<p> </p>			
<p>PROCUREMENT STRATEGIES</p>			
<p> </p>			
<p>Housing Investment Projects – Heating This programme has been approved in the 2013-14 Budget by Council on 1st March 2013. It will replace obsolete and inefficient heating systems with modern examples which will help the Council meet its environmental responsibilities and reduce maintenance costs.</p>	<p>Procurement Strategy</p>	<p>15,500</p>	<p>Competitive Tender</p>

<p>We propose to procure these works by means of competitive tendering processes. The Council wishes to support local, small businesses so it will offer two contracts worth approximately £0.95m per year for each of the next three years. These can be advertised locally in addition to usual sources, thus opening up the market to smaller players. The remainder of the work will be delivered through one further large contract worth approximately £9.8m. All works over £4.3m in value are subject to European procurement regulations and have to be advertised in the Official Journal of the European Union (OJEU). This will apply to the larger contract.</p> <p>The Council has established procedures to ensure that it discharges its duties under the Equalities Act. An Equality Impact Assessment has been completed and is available for scrutiny. We have also considered our duties under the Public Services (Social Value) Act and will discharge our duties by requiring Employment and Skills outcomes from the project. These will be refined as the specification for the project progresses and bidders will be required to set out their employment and skills proposals against these requirements (which will be reported at Contract Award stage). Offering two smaller contract packages which are more likely to fall within the capacity of smaller organisations in the area also helps us discharge our responsibilities under the Act.</p>			
<p>Norton Aerodrome This scheme, to acquire and clear the former aerodrome, was approved by Cabinet on 20th March 2013. Having considered the options, officers are now recommending that the demolition, clearance and decontamination of the site be procured via an open competitive tender process to ensure best value for money.</p>	Procurement Strategy	187	Open Competitive Tender