

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 2 July 2009
AUTHOR/S: Executive Director / Corporate Manager for Health and Environmental Services

CAPITAL PROGRAMME – AWARDED WATERCOURSES

Purpose

1. To recommend to Council an approval outside the budget framework requesting additional expenditure in the Capital programme (in gross expenditure terms only) in order to purchase new plant and equipment for use on the Awarded Watercourses service.
2. This is a key decision because it is not in accordance with the capital programme approved by the Council. It has not been published in the Forward Plan as it was dependent on the outcome of the Awarded Watercourses tendering exercise.

Background

3. In November 2008 the theft of a tractor and flail mower owned by the Authority occurred at the Welney Farms Limited depot in Lolworth where the awarded watercourses plant and equipment is stored. Due to the on-going tendering process for the awarded watercourses service, it was felt inappropriate to replace the plant until the result of the tender process was known.
4. Over the past ten years, all new plant and equipment purchases have been funded from the Awarded Watercourses Drainage Infrastructure Fund. This fund is supported, through the Section 106 processes, with contributions from developers and landowners who use the award drain resource as part of their development. The fund is ring-fenced and may only be used for expenditure associated with any awarded watercourses drainage infrastructure. Since the introduction of this fund, all expenditure on replacement plant has been funded at no direct cost to the Council.

Considerations

5. The replacement plant will be required to carry out the necessary statutory works to the award drain system. However, the final decision on awarding the 'contract' for the service will not be made by the Portfolio Holder until the meeting of 16 July 2009. However, it is very important to set the procurement process in motion as soon as possible if the plant is to be secured in time for the new season, should the in-house team be successful.
6. The expenditure will involve the purchase of a new Flail Mower and a suitable new Tractor. The cost of the mower is approximately £35,000 and the tractor in the region of £65,000. Part of the expenditure may be funded with monies received from the insurance claim associated with the above theft while the remainder can be financed from the Drainage Infrastructure Fund. There will therefore be no overall impact on the Council's finances with the procurement of the plant being cost neutral.

Options

7. The two options considered for the provision of the plant are
- (a) Spot hire suitable equipment at a cost of £14,000 for a ten-week period. This sum has not been budgeted for and will impact on the 2009/10 General Fund budget. However, although it may be possible to hire a tractor for the season, spot hiring of the flail mower will prove difficult, if not impossible, as these items of specialist plant are usually only available for purchase.
 - (b) The outright purchase of the equipment involving the above costs.

Implications

8. Financial	The financial implications are as outlined above. However, the overall expenditure will be cost neutral.
Legal	None
Staffing	None
Risk Management	None
Equal Opportunities	None

Effect on Strategic Aims

9.	Commitment to being a listening council, providing first class services accessible to all.
	Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.
	To provide a necessary and statutory service to certain parts of the District.
	Commitment to making South Cambridgeshire a place in which residents can feel proud to live.
	Commitment to assisting provision for local jobs for all.
	Commitment to providing a voice for rural life.
	Not applicable

Recommendation

10. It is requested that Cabinet recommend to Council for £100,000 to be included in the 2009/10 Capital programme on the basis that the financing of this amount should be met from the insurance theft claim payment (as outlined above) and the Awarded Watercourses Drainage Infrastructure Fund.

Background Papers: the following background papers were used in the preparation of this report: None

Contact Officer: Patrick C Matthews, Drainage Manager
Telephone: (01954) 713472