

Cabinet

Dorset County Council



Date of Meeting	Cabinet: 17 October 2018
<p><u>Cabinet member(s)</u> Tony Ferrari – Cabinet Member for Community and Resources</p> <p><u>Local Members</u> All members (local members affected have been consulted/engaged separately)</p> <p><u>Lead Officer(s)</u> Richard Bates - Chief Financial Officer Mike Harries - Director for Environment and the Economy</p>	
Subject of Report	Quarterly Asset Management Report
Executive Summary	<p>This report is a quarterly report which sets out key issues relating to the various asset classes of Property, Highways, ICT, Fleet and Waste.</p> <p>Some of the key items to note are as follows:</p> <ul style="list-style-type: none"> • An update is provided on the success of the programme to reconfigure and improve the countywide office estate (para 2.1) • The Old Rectory building at Monkton Park is now vacant as Dorchester Learning Centre has moved into the main buildings on the site, so approval is sought to declare the building surplus and to dispose of it (para 3.1) • An update on the Bridport Gateway Project is provided detailing the capital requirements of that programme and the Wareham Gateway Project (para 3.3) • An update on the situation relating to the Weymouth registration service and ceremony room is provided (para 3.6) • Various updates on highway schemes are provided (sect 4) • An update on the situation relating to the ICT capital programme is provided and a request is made for a further allocation of capital funding (sect. 5)
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>The most recent equalities impact assessment was undertaken on the Asset Management Plan and identified the need to ensure that</p>

	<p>the interests and needs of the nine equality groups are addressed at service level as part of the service asset management planning process, including consultation with users.</p>	
	<p>Use of Evidence:</p> <p>The Asset Management Plan makes use of the following sources of evidence:</p> <ul style="list-style-type: none"> • The Corporate Plan and Community Strategy • Medium Term Financial Strategy • Outcomes from a Members Seminar on 25 September 2014 • Periodic public consultation • Local and National property performance data • Service (property) asset management plans • Highways asset management planning data • Corporate IT strategy 	
	<p>Budget:</p> <p>If all the recommendations in the report are approved there will remain a capital sum of £1.113m flexibility unallocated as well as £1.179m contingency unallocated up to the end of 2021-22.</p>	
	<p>Risk Assessment:</p> <p>Specific project risk registers are in place. None of the recommendations relate to or create high or medium risks.</p> <p>Having considered the risks associated with this decision using the County Council’s approved risk management methodology, the level of risk has been identified as: Current Risk: LOW Residual Risk: LOW</p>	
<p>Recommendations</p>	<p>It is recommended that the Cabinet:</p>	
	<p>(i)</p>	<p>Approves the disposal of The Old Rectory and Lodge 1 at Monkton Park, Dorchester on terms to be agreed by the Chief Financial Officer (para 3.1.3)</p>
	<p>(ii)</p>	<p>Approves the acquisition and immediate onward disposal of Coburg Court, Coburg Road, Dorchester on terms to be agreed by the Chief Financial Officer subject to East Borough Housing Trust’s agreement to cover all acquisition costs relating to the transaction, receipt of TCP grant funding from NHS England, and to immediately acquire the property from DCC upon completion of the transfer from NHS Estates (para 3.2.4).</p>
	<p>(iii)</p>	<p>Approves the revised capital budget for the Bridport Gateway development of £2,122,000, including £200,000 to be allocated to the Wareham Gateway project and approves the return of the balance of £478,000 to the Capital programme (para 3.3.6).</p>

	(iv)	Approves that the County Council grants the Wellworthy Club a long lease on the land that the Club occupies at Ferrybridge in Weymouth at a peppercorn rent and otherwise on terms to be agreed by the Chief Financial Officer (para 3.5.4).
	(v)	Approves that the update on Weymouth registration office and ceremony room is noted and that authority is delegated to the Director for Adult and Community Services in consultation with the Cabinet Portfolio Holder for Health and Social Care to engage in public consultation on the relocation of the registration office and ceremony room when appropriate. (para 3.6.6)
	(vi)	Recommends to the Dorset Council Shadow Executive that it approves the allocation of £490,000 from capital balances to complete the refresh of user devices supporting the roll-out of Office 365, maintaining end-of-life assets and readying the authority to transfer to Dorset Council in a good state to support safe, legal and compliant operations from vesting day (Para 5.1.5)
	(vii)	Approves the overall revised estimates and cash flows for projects as summarised and detailed in appendices 1 and 2 (para 9.2)
	(viii)	Notes the emerging issues for each asset class.
Reason for Recommendation	A well-managed Council ensures that the best use is made of its assets in terms of optimising service benefit, minimising environmental impact and maximising financial return.	
Appendices	Appendix 1 Financial Summary and Capital Control Totals Appendix 2 Capital Control Totals Appendix 3 Bridport Gateway breakdown of capital spend Appendix 4 Plans	
Background Papers	The Property Asset Management Plan 2015-18 The Highways Asset Management Plan (Vol. 1/Vol. 2)	
Officer Contact	Name: Peter Scarlett, Estate & Assets Service Manager Tel: (01305) 221940 Email: p.scarlett@dorsetcc.gov.uk Name: Tony Diaz, Senior Finance Manager Tel: (01305) 224950 Email: t.diaz@dorsetcc.gov.uk	

1 Background

- 1.1 This report provides an update on key issues relating to various assets, including progress in property asset reduction and rationalisation. It also seeks approval for a number of transactions and project matters.

- 1.2 This report covers all the County Council's asset classes: Property, Highways, ICT, Fleet and Waste (via DWP).

2 Assets / Whole authority performance

2.1 The Countywide Office Reconfiguration Programme

- 2.1.1 The Countywide Office Reconfiguration Programme will shortly reach a conclusion. Over the last two years, 6 offices and 1 industrial unit have been comprehensively refurbished and reconfigured so that the staff working from those buildings all work in a consistent way, through hot desking, rather than having their own desk, and clearing their desks at the end of each day. This has enabled more staff to be based in each building and the average floor space per employee has reduced from 15.4 m² in 2015 to 9.59 m² today. The offices that have been refurbished are: Westport House (Wareham), Weymouth Local Office, North Dorset Local Office (Sturminster Newton), Hanham Centre (Wimborne), Cedar House (Ferndown) and Ferndown Local Office. Additionally, Unit F3 at Marabout Estate (Dorchester) has also been refurbished to enable the library book handling unit to move from South Annexe.
- 2.1.2 The programme has enabled the County Council to reduce the net floor area of its office estate by 14,386 m², which equates to 35.2% of the overall floor area; to generate revenue savings of £282,300 per annum; and has so far generated capital receipts of £1,062,000 with a further sum of £2,920,000 anticipated to be made this year.
- 2.1.3 A budget of £2,935,000 was originally allocated to the programme, but to date only £1,822,300 has been committed, as three elements of work have not yet proceeded – the refurbishment of Christchurch and Wareham Local Offices and the reconfiguration of South Annexe. Some further funds will be required to finish the programme, but it is considered that the sum of £700,000 can be returned to the capital pot.

3 Dorset Property Asset Management

3.1 Monkton Park Dorchester

- 3.1.1 Following the recommendations outlined in the Children's Services Property Update report (Min 36 Cabinet 7th March 2018) the relocation of the Dorchester Learning Centre to the former Penwithen buildings to the rear of the site and the relocation of Children's Services staff was completed in early September in time for the new academic year.
- 3.1.2 The Old Rectory (formerly the Learning Centre) is now vacant and is surplus to Children's Services requirements. Masterplanning of the areas of Monkton Park now vacant have indicated that the Old Rectory and the vacant Lodge 1 outlined on the plan attached as Appendix 4 can be declared surplus and marketed for immediate sale as separate lots.
- 3.1.3 Discussions will continue separately with Dorset Healthcare to ascertain if there is potential for a suitable alternative location for provision of the CAMHS services they currently provide from the leased premises at Marvin House and its grounds. A separate report will be brought forward if a viable solution can be achieved which releases additional value from the retained land. It is therefore recommended that the Cabinet approves the disposal of The Old Rectory and Lodge 1 at Monkton Park, Dorchester on terms to be agreed by the Chief Financial Officer (**Recommendation (i)**).

3.2. Purchase of Coburg Court, Dorchester

- 3.2.1 East Borough Housing Trust has identified a vacant NHS owned residential property at Coburg Court, Coburg Road, Dorchester for potential acquisition for conversion to

provide 11 flats for supported housing, social housing, affordable housing or key worker housing. The property comprises a 1980's block of former nurse's accommodation. Please see the plan attached at Appendix 4.

- 3.2.2 In order to secure the property Dorset County Council has submitted a bid for the property because, as a public body, they are classed as a 'Priority Purchaser' under the NHS Estates Code. The benefit being that the NHS can sell at market value to a public body in advance of the need for the property to be openly marketed.
- 3.2.3 It is intended, subject to formal approval, that Dorset County Council acquires the property for the agreed purchase price of £750,000 and immediately transfers its interest to East Borough Housing Trust upon completion. East Borough Housing Trust has confirmed that it will cover all the costs of this transaction.
- 3.2.4 The transaction is dependent upon confirmation of a £300,000 Transforming Care Plan (TCP) grant from NHS England. TCP grant funding was allocated to a scheme in Poundbury which hasn't progressed and the expectation is that this sum will be re-allocated albeit that a new funding bid has had to be submitted. The funding bid has been approved by Adult Services who are fully supportive of the proposals in accordance with their service needs. The proposals support TCP cohort users. It is therefore recommended that the Cabinet approves the acquisition and immediate onward disposal of Coburg Court, Coburg Road, Dorchester on terms to be agreed by the Chief Financial Officer subject to East Borough Housing Trust's agreement to cover all acquisition costs relating to the transaction, and the receipt of TCP grant funding from NHS England and to immediately acquire the property from DCC upon completion of the transfer from NHS Estates (**Recommendation (ii)**).

3.3 **Bridport Gateway**

- 3.3.1 The Adult and Community Services directorate has now launched the Bridport Gateway (Gateway) development procurement. The development includes a new care home to replace Sidney Gayle and a facility to replace the day services building Bridport Connect.
- 3.3.2 The Cabinet previously approved a capital budget of £4.7m to provide a new day services facility. A balance of £2.6m remains within this budget.
- 3.3.3 The Cabinet Member for Communities and Resources, Service Director – Financial Services and Transformation Programme Director, commissioned a review of the required spend to deliver the Gateway project with any balance returned to the corporate capital pot. The requirements are outlined below:
- Site infrastructure and enabling works, e.g. access roads, Bridport and Wareham;
 - Design and planning fees;
 - Demolition works for the Fisherman's Arms site;
 - Procurement and legal fees;
 - Downsizing of Bridport Highways Depot.
- 3.3.4 Work is also progressing on the development of the Wareham Gateway, on the Middle School site in Wareham. A potential joint development is proposed between Purbeck District Council, Clinical Commissioning Group (CCG), Dorset Hospital University Foundation Trust, Wareham Town Council and the Council. This will contain a new GP surgery, Community Health Hub and 120 extra care, affordable housing and repurposed leisure and recreational facilities. The CCG has received indicative grant funding of £2.0m to develop a new GP surgery with the ability to spend circa £200,000 for design, planning and infrastructure works. This ability is time limited and the CCG is seeking to

fast track the design and planning work this Autumn. To optimise the opportunity, it would seem sensible and efficient to carry out the design, planning and infrastructure work on the Middle School site for whole development. The cost of joint planning, design fees and infrastructure works has been estimated at £400,000. The above requirements are contained in this proposal.

3.3.5 Final Business Cases are being developed and will be presented to the various organisations for approval in December 2018, and with the Dorset Council Shadow Cabinet meeting of January 2019 being the target date for the Council's proposals. The recommendation to approve this funding is made now in the event the County Council needs to develop a single master plan and submit a joint planning application(s) in the Autumn, alongside the CCG.

3.3.6 The financial implications for the Council are to match fund the CCG budget and so £200,000 is contained in the capital spend forecast contained in Appendix 3. The budget required to carry out the work listed is £2,122,000, and so at this stage a balance of £478,000 can be returned to the capital pot. It is recommended that the Cabinet approves the revised capital budget for the Bridport Gateway development of £2,122,000, including £200,000 to be allocated to the Wareham Gateway project and approves the return of the balance of £478,000 to the Capital pot **(Recommendation (iii))**.

3.4 Reconfiguration of Bridport Highways Depot

3.4.1 In order to facilitate the Bridport Gateway project, as detailed above, it will be necessary to reconfigure the Highways Depot on South Street. The depot operation will be moved to a smaller compound area at the rear of the site, on land that was previously used as a salt store.

3.4.2 A feasibility study has been undertaken by Dorset Property to consider the extent of the work required to facilitate the reconfiguration of the depot. This will principally entail the provision of modular offices and connections to services, which has been costed at £301,000. However, the feasibility study work has revealed the extent and nature of existing concrete hard-standing on the site of the reconfigured depot, which is a patchwork of zones of some good concrete, some poor concrete, a large area of porous scalplings and perimeter borders of soil.

3.4.3 As the modular accommodation will require a planning application, the Environment Agency (EA) will be consulted and it is considered that there is a significant risk that the EA will require an upgrade of the hard-standing on this site. The cost of replacing the assumed defective areas of hard-standing, with surfaces sealed and suitably trapped surface water drainage directed away from the adjacent river would be up to £226,000. Hence, if this work is required to be carried out, the project to reconfigure the Highway depot site could cost up to £527,000. At this stage an allowance for that sum has been made in the programme costs for the Bridport Gateway (in Appendix 3), although it is to be hoped that these costs may be reduced.

3.5 Grant of long lease of land at Ferrybridge, Weymouth to Wellworthy Club

3.5.1 In 1983, as part of the work to construct a new bridge on the A354 Weymouth to Portland Road over the Fleet, the County Council sought an order to divert the navigable waters of East Fleet where it enters Portland Harbour at Ferrybridge. This work required the repositioning of a boat yard containing fishermans' huts and a small facility occupied by the Wellworthy Club of Weymouth. Due to objections to the works, a local public enquiry was held at which the County Council agreed to relocate the displaced facilities to a site close by at nil cost to the businesses.

- 3.5.2 After protracted negotiations, the fishermen collectively entered into long term leases on land that the County Council owned adjacent to the new Ferrybridge. However, despite also being offered a lease at the time the Wellworthy Club, for reasons unbeknown to the County Council failed to complete its lease. The club has a small hut on the site and an area of hardstanding and has used it for storage purposes since it was relocated to this site, but has always occupied the site on a notional tenancy at will.
- 3.5.3 Although it is difficult to establish that the Wellworthy Club has a definite claim for a lease of these premises as the matter goes back so far in time, it is clear that the Club was offered a lease in 2002, 2009 and in 2014. Furthermore, it has been in occupation of the premises since its move in the early 1980s. It has once again requested that the County Council grants it a lease on similar terms to those that the County Council granted the Fishermen, save that it accepts that it would be subject to a tight user clause and would not be able to construct any residential facility on the site. The site has no value to the County Council and it is considered that even with an assignable lease in place it would be worth only £15,000 to £25,000 to the Club. However, the County Council would like to regularise this matter by granting a lease to the Wellworthy Club.
- 3.5.4 The Cabinet is requested to approve that the County Council formalises its arrangements with the Wellworthy Club by granting it a long-term lease on the land that the Club occupies at Ferrybridge in Weymouth at a peppercorn rent and otherwise on terms to be agreed by the Chief Financial Officer (**Recommendation (iv)**).

3.6 Weymouth Registration Office and Ceremony Room Update

- 3.6.1 Officers in Property and Registration have been looking to vacate 45 Dorchester Road in Weymouth – the current location of the registration office for births, marriages and deaths and a ceremony room for marriages.
- 3.6.2 There has been an exhaustive search for alternative premises. The library can accommodate the office part for registration of births, marriages and deaths as it has good public accessibility and secure and close storage for birth, death and marriage registers and certificates. This would be open five days per week.
- 3.6.3 The only viable option identified for the ceremony room is the Commercial Road Council offices – just behind the library. This building is also being considered as premises for the new Weymouth Town Council. Liaison with Weymouth and Portland District Council has included negotiations over an indicative rent, days of use and the possible future requirements of the new Town Council for the space. Officers have also provided an update and information to the Weymouth Town Council Steering Group of Weymouth and Portland Council. The Group understood the service position and supported the proposed approach in principle. However, it also noted that the new Town Council was in the process of being created and there may be other demands on the room. The main difference, if it is possible to agree use of the Commercial Road Council offices, will be the need to share the ceremony room with other functions. Therefore, the current thinking would be to guarantee weddings on Friday and Saturday at this location - these are the peak and high demand days. The Registrar's Service can of course do weddings at other licenced venues in Weymouth on other days.
- 3.6.4 When the position is clear in relation to Commercial Road communication and consultation on the proposals will take place. A communications plan will ensure that the outcome of the consultation will be widely publicised.
- 3.6.5 The service is currently taking bookings for weddings at 45 Dorchester Road until mid-January 2020. It must clarify the future arrangements to provide clear information about future bookings for couples planning ahead.

- 3.6.6 It is recommended that this update is noted and that authority is delegated to the Director for Adult and Community Services in consultation with the Cabinet Portfolio Holder for Health and Social Care to engage in public consultation on the relocation of the registration office and ceremony room when appropriate. **(Recommendation (v))**

4. Highways Asset Management

4.1 Sea Road South / East Road Bridport cycleway

- 4.1.1 This project is a joint venture between Dorset County Council and Highways England (HE) which will provide cycle safety improvements to East Road Roundabout and completes a strategic link in the Bridport cycleway network.
- 4.1.2 Two new toucan crossings will be constructed, one of which is on the county road network in East Road and the other is on the trunk road in Sea Road South. The crossings will be linked with a new shared use footway / cycleway, which will form part of the route between West Bay to the south of Bridport and Bradpole to the north.
- 4.1.3 The project will be funded by HE and a budget of £472,678 has been already been approved. An agreement under Sections 6 and 8 of the Highway Act has been prepared which sets out the terms and conditions of the funding.
- 4.1.4 Additional works requested by HE since the budget estimate was derived are likely to increase the figure beyond the £500,000 threshold. An updated estimate is in preparation but was not available at the time of producing this update. It is anticipated that HE will increase the level of funding in line with the revised estimate.
- 4.1.5 Construction is programmed to start on 1 October 2018.

4.2 Dorchester Transport and Environment Plan (DTEP)

- 4.2.1 Additional enhancement works in South Street, funded by Dorchester Town Council, were completed in April 2018. An underspend of £40,575 in WDDC and DTC funding for South Street Enhancement Works have been returned to DTC for further enhancement at Cornhill and the Town Pump.
- 4.2.2 On 25 April 2018 the DTEP Local Member-Led Project Working Group agreed to delay the improvement to Williams Avenue / Damer's Road and to prioritise the Maumbury Cross scheme and using some of the funds for a traffic calming scheme in Victoria Road.

4.3 Ham Lane Cycleway, Fox Lane to Hampreston

- 4.3.1 The aim of this scheme is to improve pedestrian and cyclist safety on Ham Lane, and access to Ferndown, Uddens Industrial Estate, local schools and other amenities, continuing the development of the East Dorset cycle network. Detailed design is complete and agreements have been reached with landowners regarding land acquisition and accommodation works. Local members, East Dorset District Councillors, Ferndown Town Council, Dorset Police and local businesses have been consulted. Hedge translocation is due to take place in Autumn / Winter 2018. Cycleway construction is due to commence in January 2019, lasting for 22 weeks.
- 4.3.2 Total scheme cost is now estimated at £799,250 to be allocated between the financial years 18/19 and 19/20 with total developer contributions of £300,000. This is an increase on the original scheme estimate due to changes in scope and construction costs. The increased impact of this scheme on the LTP budget in 2019/20 will also be considered by the LTP Transportation Board at their next meeting.

4.4 Springfield Distributor Road

- 4.4.1 This scheme was completed on 3 May 2018. The final cost is forecast to be within the scheme budget.

4.5 Dorset Local Enterprise Partnership (DLEP) Bournemouth International Growth (BIG) Schemes

- 4.5.1 On 22nd October 2014 Cabinet approved the Dorset Growth Deal programme for transport scheme funding to deliver jobs and homes along the A338 and B3073 corridor. This included Dorset County Council (DCC) £2m corporate funds for the improvement of Hurn roundabout as part of the local contribution to the programme. Cabinet also agreed to contribute £500,000 corporate funds, to forward fund £1.1M towards Blackwater junction improvements and £850,000 towards A338 widening subject to repayment over time from developer contributions. This is known as the DLEP Bournemouth International Growth (BIG) scheme programme.
- 4.5.2 However, while the original Growth Deal 1 programme included improvements to the A338 and junctions along the B3073 corridor, this did not include Parley Cross. The improvement of Parley Cross and Blackwater junctions are DCC's top priorities for funding in this area.
- 4.5.3 On 2 May 2018 Cabinet agreed to deliver a reduced cost improvement scheme to the existing Hurn roundabout that avoids the needs for third party land and switch corporate capital funds from the delivery of the original Hurn roundabout improvement to delivery of a Parley Cross eastern link road and Parley Cross junction. Cabinet also reaffirmed commitment to allocate corporate funds and to forward fund developer contributions for the improvement of Blackwater junction and A338 widening, subject to being repaid via agreement between the two new authorities.
- 4.5.4 In addition to these schemes there is a DLEP funded scheme just within Bournemouth Borough close to the boundary with DCC where this boundary crosses the A338. This scheme, known as Wessex Fields, includes the provision of a southbound junction off the A338 and a new link road to Chapel Lane East that is routed around the northern outskirts of Bournemouth Hospital. The scheme has £8.0 million of funding from Growth Deal that is managed by DLEP and is programmed to start construction in 2019, subject to the outcome of a planning application which is expected to be known in September 2018.
- 4.5.5 Given the proximity of the scheme to the DCC boundary and the success of the Dorset Highways Works Term Service Contract (DHWTSC) with Hanson that has already been used to deliver other BIG schemes, it is likely that DLEP will commission DCC to deliver the construction of this scheme using the DHWTSC. Subject to an agreement between the two authorities, the funding for construction of the scheme will be transferred from DLEP to DCC and there will be no funding risk to DCC.

5 ICT Asset Management

5.1 Capital Programme

- 5.1.1 The County Council has made provision of £1.43m per annum to support ICT asset refresh and maintenance. In 2018-19 this has proven to be insufficient to deliver the programme of asset refresh required to meet the Council's plans to maintain aging ICT assets and deliver user collaboration and flexible working improvements.
- 5.1.2 At the September 2018 Managing Our Assets Group meeting a series of underspends were reported from a number of closing capital projects. There has been no capital

programme bidding process in DCC for 2018-19. The indications are that there will not be a capital bidding process for Dorset Council for 2019-20.

5.1.3 An allocation of £490,000 from underspends within the current DCC capital programme is necessary to allow the council to complete the Office 365 and Skype for Business Project. This funding would be used to purchase the remaining ICT user computing devices required to complete the deployment of Microsoft Office 365 and Skype for Business for voice/telephone services, and allowing the project to complete in 2018-19.

5.1.4 The completion of this project will ensure Dorset County Council transitions to Dorset Council with a modern, completely up to date ICT user infrastructure that is entirely in alignment with the emerging vision for Dorset Council ICT provision. It would ensure everyone from DCC has access to the same rich collaboration capabilities which would otherwise be denied to significant proportions of teams across DCC for the foreseeable future. It would also avoid £105,000 of support costs for the Avaya telephone system in 2019-20 that the programme seeks to decommission.

5.1.5 It is recommended that the Cabinet recommends to the Dorset Council Shadow Executive that it approves £490,000 from capital balances to complete the refresh of user devices supporting the roll-out of Office 365, maintaining end-of-life assets and readying the authority to transfer to Dorset Council in a good state to support safe, legal and compliant operations from vesting day. (Recommendation (vi))

5.1.6 A more detailed briefing note is available from James Ailward, Service Manager – ICT Operations, j.a.ailward@dorsetcc.gov.uk .

5.2 Significant emerging issues – to note

5.2.1 A briefing note has been provided to Jason Vaughan (Interim Dorset Council Section 151 Officer) and Richard Bates (Dorset County Council Section 151 Officer) to flag the following issues for the 2019-20 Dorset Council budget. The briefing note seeks advice as to how these issues will be mitigated.

5.2.2 The uncertainty regarding capital provision in the new Dorset Council for ICT in 2019-20 presents several issues and risks to the ICT infrastructure, asset health and services originating with Dorset County Council. This will have consequences to the safe, legal and compliant operation of business services reliant on those ICT assets and services.

Confirmation of asset replacement funding to cover hardware, software, services and implementation staffing is required to address key infrastructure maintenance and refresh works in 2019-20 for services transferring in from Dorset County Council. This amounts to a value of c.£500,000 in 2019-20. This specifically relates to the following infrastructure services:

- Data back-up infrastructure – initial estimate c.£300,000
- Refresh of end-of-life ICT service continuity infrastructure hosted in the Hampshire County Council datacentre (supporting service continuity and recovery following a major incident) – c.£120,000.

5.2.3 Without funding (revenue or capital) to refresh this infrastructure in 2019-20 Dorset Council will be operating with infrastructure which is end-of-life and unsupported, posing an increasing risk to continuing service provision and data security.

5.2.4 Confirmation of funding arrangements is sought for 2019-20 regarding commissioning of ICT projects to support business change and transformation work, including but not limited to Shaping Dorset Council Phase 3 works. An allocation of between £500k to

£1m per annum has been made annually for this purpose by Dorset County Council.

- 5.2.5 Without agreed funding sources (whether capital or revenue) Dorset Council will be at an increasing risk of non-compliance or of operating unsupported/end-of-life business application/ICT infrastructure assets and services, putting business service provision at risk over time as dictated by current solution contract/lifespan dates.
- 5.2.6 Confirmation of funding sources in Dorset Council is sought for ICT employee costs transferring in from Dorset County Council. These employees are retained to provide capacity to deliver ICT projects to a value of £1.2m in 2019-20. There is no base revenue provision for ICT employees retained to provide capacity for project work at Dorset County Council.
- 5.2.7 The consequence of failing to secure income for ICT project work will result in a risk of overspend for which the primary mitigation would be restructuring to reduce ICT staffing to balance the ICT staffing budgets. This would result in c.25+ redundancies. TUPE regulation precludes addressing this before convergence to Dorset Council.
- 5.2.8 The matrix approach to skills and capacities across DCC ICT services staffing means that a reduction of such magnitude quickly would result in significant operational risk resulting from the loss of expertise.
- 5.2.9 The loss of such capacity would mean that Dorset Council will lose the ability to resource project work originating with the Dorset County Council ICT services to deliver essential infrastructure, application and transformation projects. Dorset Council would need to fall back on relying on resource recruited at the point of need, introducing time delays and potentially increased cost if contract or agency staffing is used.

6. Fleet Asset Management

No key issues to report.

7. Waste Asset Management

7.1 No key issues to report.

8 Financial Performance

8.1 Financial Summary and Capital Control Totals

- a) The overall financial position is summarised in Appendix 1. In summary, over the next three years the total sum available is £1.603m up to the end of 2021-22, before any adjustments arising from the recommendations in this report. If all the recommendations in the report are approved there will remain a sum available of £1.113m up to the end of 2021-22.

8.2 Executive Summary of Approved Projects, including significant changes

- a) Details of the approved capital schemes are set out in the schedule situated in Appendix 2.
- b) The Cabinet is requested to approve the overall revised capital expenditure estimate and cash flows as summarised in Appendix 1 & 2 (**Recommendation (vii)**).

Richard Bates
Chief Financial Officer

Mike Harries
Director for Environment and the Economy

CAPITAL PROGRAMME - CABINET OCTOBER 2018

APPENDIX 1

DIRECTORATE	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
CHILDREN'S	28,142	6,759	4,790	3,593
ENVIRONMENT	35,505	23,855	17,149	13,244
ADULT & COMMUNITY	927	3,543	2,838	150
CABINET / WHOLE AUTHORITY	11,899	5,589	1,893	1,893
DORSET WASTE PARTNERSHIP	5,066	9,653	5,798	4,092
CAPITAL FLEET REPLACEMENTS	1,016	802	1,292	1,020
CAPITAL R & M	6,065	5,967	5,967	5,967
TOTAL	88,620	56,168	39,727	29,959
Anticipated Slippage	(25,000)	5,000	5,000	10,000
Contingency re Risk Items	1,179	0	0	0
(Overcommitted)/ Remaining flexibility (to meet target)	1,603	0	0	0
Gross Predicted Capital Spend	66,402	61,168	44,727	39,959

CAPITAL PROGRAMME - CABINET OCTOBER 2018

APPENDIX 2

- ⊕ Project being delivered within or on previously agreed budget and time
- ⊖ Project being delivered within 5% or £250k of previously agreed budget or time
- ⊗ Project not being delivered within 5% or £250k of previously agreed budget or time

Total Payments £'000	Before 2018-19 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	After 2021-22 £'000
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CHILDREN'S SERVICES

School Access Initiative Schemes < £250k	9,139	8,435	304	200	200	0	0	⊕
Blandford School STP	1,000	907	3	10	80	0	0	⊕
Leeson House - DDA Works	664	562	0	102	0	0	0	⊕
Relocation of Dorchester Learning Centre	550	102	398	50	0	0	0	⊕
APT Projects	1,200		300	300	300	300	0	⊕
Carry forward from previous year	(111)		(111)					
Mobiles and Urgent Provision	3,172		793	793	793	793	0	⊕
Carry forward from previous year	(793)		(793)					
Acceleration	0		250	(250)				
Gross Expenditure	14,821	10,006	1,144	1,205	1,373	1,093	0	

ENVIRONMENT

Weymouth Relief Road - Scheme Costs	86,788	83,614	1,600	1,574	0	0	0	⊕
Dorchester Transport and Environment Plan	3,510	2,920	590	0	0	0	0	⊕
Network Traffic Control Centre	325	227	98	0	0	0	0	⊕
Implementation of Waste Management Strategy - Bridport HRC Phase 2	9,500	9,494	6	0	0	0	0	⊕
Shaftesbury Traveller Site	1,004	946	58	0	0	0	0	⊕
Hardy's Birthplace Project at Thorncombe Wood	1,119	1,056	63	0	0	0	0	⊕
Springfield Distributor Road, Verwood	1,828	1,471	357	0	0	0	0	⊕
Dinahs Hollow and Church Slope, Melbury Abbas	1,744	1,205	539	0	0	0	0	⊕
A338 Major Maintenance	22,000	20,376	1,624	0	0	0	0	⊕
Chapel Gate Roundabout	1,670	1,516	154	0	0	0	0	⊕
Hurn Roundabout	1,100	193	907	0	0	0	0	⊕
Blackwater Interchange	9,100	1,642	4,228	3,230	0	0	0	⊕
Longham Mini Roundabouts	1,667	2	10	0	1,655	0	0	⊕
A338 Widening Scheme	3,000	50	1,450	1,500	0	0	0	⊕
Parley West Link	4,530	0	280	2,000	2,250	0	0	⊕
Parley Cross	1,000	43	100	857	0	0	0	⊕

	Total Payments £'000	Before 2018-19 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	After 2021-22 £'000	
Parley East Link	2,000	0	50	1,950	0	0	0	⊕
Local Transport Plan (Integrated Transport)	12,047		5,633	2,138	2,138	2,138	0	⊕
Local Transport Plan Maintenance	41,104		15,051	8,351	8,851	8,851	0	⊕
Local Transport Plan Bridge Maintenance	7,968		2,208	1,920	1,920	1,920	0	⊕
APT Projects	1,340		335	335	335	335		⊕
Carry forward from previous year	164		164					
Gross Expenditure	214,508	124,755	35,505	23,855	17,149	13,244	0	

ADULT AND COMMUNITY

Dorset History Centre Extension	3,355	51	0	751	2,553	0	0	⊕
Bridport Connect	2,122	145	500	1,342	135	0	0	⊕
Modular Housing	1,500	0	200	1,300	0	0	0	⊕
Adults APT Projects	500		125	125	125	125	0	⊕
Carry forward from previous year	55		55					
Libraries APT Projects	100		25	25	25	25	0	⊕
Carry forward from previous year	22		22					
Gross Expenditure	7,654	196	927	3,543	2,838	150	0	

CABINET / WHOLE AUTHORITY

Superfast Broadband Project	38,004	35,283	2,721	0	0	0	0	⊕
Implementation of Replacement Childrens Social Care System (RAISE) and (AIS)	4,570	3,240	1,330	0	0	0	0	⊕
Implementation of Replacement Library Management System	496	467	29	0	0	0	0	⊕
Dorset Management Information System for Children (DMI SC)	1,223	1,152	71	0	0	0	0	⊕
ICT - Whole Authority provision for business change, cost effectiveness improvements & infrastructure maintenance through ICT	5,394	5,142	252	0	0	0	0	⊕
Purchase of Dorset Innovation Park (Dorset Green Purbeck)	500	500	0	0	0	0	0	⊕
Contribution to Dorset Innovation Park (The Quadrant)	1,147	1,147	0	0	0	0	0	⊕
Dorset Innovation Park - General Park Funding	3,872	200	2,276	1,396	0	0	0	⊕
ICT Project Portfolio	1,200	0	1,200	0	0	0	0	⊕
County Wide Office Reconfiguration	2,243	1,469	774		0	0	0	⊕
County Hall Masterplan Year 3	800	288	512	0	0	0	0	⊕
Community Offer for Living & Learning	2,700	0	1,000	1,700	0	0	0	⊕
APT Projects (County Buildings)	420		105	105	105	105	0	⊕
Carry forward from previous year	24		24					
APT Projects (ICT)	5,752		1,438	1,438	1,438	1,438	0	⊕
Carry forward from previous year	39		39					

	Total Payments £'000	Before 2018-19 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	After 2021-22 £'000
APT Projects Development Schemes	1,140		135	735	135	135	0
Carry forward from previous year	(247)		(247)				
APT Projects Minor Works & Feasibilities	240		60	60	60	60	0
Carry forward from previous year	78		78				
APT Chief Executives Special Projects	620		155	155	155	155	0
Carry forward from previous year	(53)		(53)				
Gross Expenditure	55,936	34,662	11,899	5,589	1,893	1,893	0

DORSET WASTE PARTNERSHIP

DWP Capital Programme (Infrastructure, Containers and Vehicles)			5,066	9,653	5,798	4,092	0
Gross Expenditure			5,066	9,653	5,798	4,092	0

MODERNISING SCHOOLS PROGRAMME

Completed Projects awaiting Final Account	773	180	56	286	251	0	0
Project Development Allowance	3,520	3,187	0	333	0	0	0
Chesil Cove Federation Replacement Primary	8,921	8,483	145	293	0	0	0
Pimperne Primary - Replacement	6,170	5,645	186	339	0	0	0
Yewstock & Mountjoy additional capacity	918	153	692	73			

PURBECK SCHOOLS RE-ORGANISATION

Purbeck School - core works	7,813	7,798	15	0	0	0	0
St Mary's RC Primary Swanage	3,668	3,423	230	15	0	0	0
Wool Primary	589	566	3	0	0	0	0
Swanage St Mark's Primary	3,103	3,013	90	0	0	0	0
Sandford St Martin	3,613	3,621	-8	0	0	0	0
Lulworth Primary	2,938	2,632	306	0	0	0	0
Bere Regis	5,372	5,056	316	0	0	0	0

BASIC NEED PROJECTS

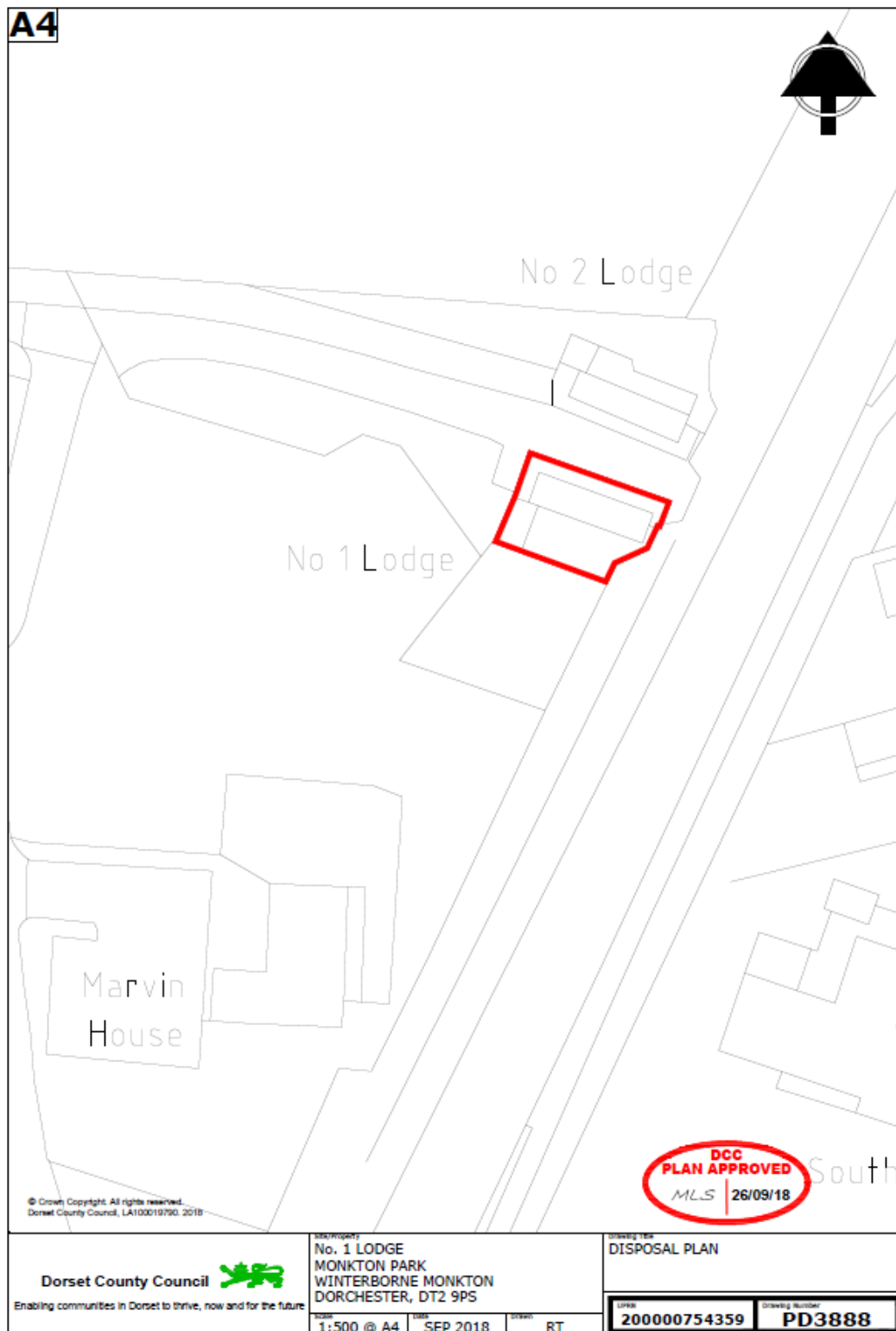
Completed projects & projects < £500k	3,537	3,261	266	10	0	0	0
Project Development Allowance	1,459	661	462	336	0	0	0
Manor Park First School	4,118	4,002	116	0	0	0	0
Twynham Primary	8,306	5,957	1,904	445	0	0	0
Damers Replacement	10,380	9,762	618	0	0	0	0
Chickerell Primary	832	829	3	0	0	0	0
Burton Primary	905	864	41	0	0	0	0
Contribution to Lytchett Minster (Playing Field)	150	0	150	0	0	0	0

	Total Payments £'000	Before 2018-19 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	After 2021-22 £'000
Christchurch School (Twyndham) school within a school	1,365	1,331	34	0	0	0	0 ©
Downlands	2,838	2,727	10	101	0	0	0 ©
Highcliffe St Marks	2,808	2,225	61	522	0	0	0 ©
Wimborne First	11,205	396	4,870	4,784	1155	0	0 ©
St Osmund's	3,685	3,003	682	0	0	0	0 ©
Sherborne Abbey	2,384	1,568	607	209	0	0	0 ©
Shaftesbury Primary Modular Extension	700	702	-2	0	0	0	0 ©
Mudford Junior Modular Extension	547	553	-6	0	0	0	0 ©
14 - 19 PROJECTS / SEN PROJECTS							
SEN Projects (Yewstock)	3,931	3,879	4	48	0	0	0 ©
Other Schemes awaiting approval plus funding available or over committed	17,418		15,147	(2,240)	2,011	2,500	0
Modernising Schools Programme Control Total	123,946	85,477	26,998	5,554	3,417	2,500	0
Capital Fleet Replacements			1,016	802	1,292	1,020	0
Capital R & M			6,065	5,967	5,967	5,967	0
TOTAL EXPENDITURE	343,716	255,096	88,620	56,168	39,727	29,959	0
TOTAL GRANTS / CONTRIBUTIONS	(200,786)	(163,148)	(37,638)	(23,367)	(26,398)	(15,749)	(3,650)
TOTAL NET COST TO DCC	142,930	91,948	50,982	32,801	13,329	14,210	(3,650)

Bridport Gateway breakdown of capital spend

1. Fisherman's Arms – ransom strip	300,000
2. Fisherman's Arms – demolition	200,000
3. St Andrew's refurbishment (day ops)	100,000
4. Bridport technical & design fees	100,000
5. Bridport relocatable site works	70,000
6. Bridport planning adviser & fees	70,000
7. PSP abortive costs, land north	285,000
8. Site (2) access & infrastructure	100,000
9. Procurement development advice	50,000
9. Legal & property fees	120,000
10. Wareham infrastructure & enabling works	200,000
11. Highways depot reconfiguration works (see item 3.4 of this report)	527,000
Total capital requirement	2,122,000
Balance of Capital to be returned	£478,000

No1 the Lodge Monkton Park



Dorchester Learning Centre, Monkton Park



Purchase of Coburg Court, Dorchester
Coburg Court

