

NORTH LINCOLNSHIRE COUNCIL

**NEIGHBOURHOOD, ENVIRONMENT AND COMMUNITIES
CABINET MEMBER
CORPORATE SERVICES CABINET MEMBER**

COTTAGE BECK ROAD DEPOT IMPROVEMENTS

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To report on possible measures to address the budget shortfall following the tendering exercise for completion of the Cottage Beck Road Depot Improvements.

2. BACKGROUND INFORMATION

- 2.1 The Health & Safety Executive (HSE) inspected the Cottage Beck Road depot in 2006. A number of health and safety issues concerning the interaction of vehicles and pedestrians were identified. The HSE requires improvements to be made to the site as a result of the findings of the inspection.
- 2.2 The majority of staff from the site have been transferred to other offices and refuse collection vehicles have been operating from Station Road, Scunthorpe. The former transfer station on the site was demolished in response to the inspection.
- 2.3 A capital budget of £314K was approved in 2008/09 and this was increased to £339K by using budget under spent that had previously been approved for the demolition of the transfer station.
- 2.4 Two tendering exercises have been undertaken and it is likely that there will be a shortfall of up to £200K for the completion of the scheme.
- 2.5 Included in the total cost of the scheme is an estimated £100,000 for the provision of a vehicle wash. This will be purchased from the Fleet Replacement Capital Programme. Leasing options may also be considered if deemed to be more beneficial to the council.
- 2.6 A review of capital commitments and funding in the service has been undertaken.
- 2.7 There is an approved budget in 2009/10 of £41K that is the residual balance of the Waste Performance and Efficiency grant from DEFRA in 2007/08.

- 2.8 In 2008/09 there was an underspend on the Waste Infrastructure Capital Grant (WICG) scheme of £61K. Approval is being sought by the service to carry forward this underspend into 2009/10.
- 2.9 In 2009/10 a further WICG grant of £282K has been received. Of this £167K is committed in the 2009/10 capital budget and £63k is required to top up the £104K grant awarded for 2010/11. The balance of £52K is uncommitted.

3. OPTIONS FOR CONSIDERATION

There are two options for consideration:

- 3.1 Option 1 – The transfer of the funds identified in paragraph 2.7 to 2.9, subject to the carry forward approval referred to in paragraph 2.8 total £154,000. This in conjunction with separate financing of the vehicle wash should ensure the scheme falls within budget.
- 3.2 Option 2 – That no action is taken and a further report be submitted on the impact of a substantially scaled back scheme for consideration.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1 – This will ensure the scheme falls within budget, thereby ensuring the viability of the scheme.
- 4.2 Option 2 – It is over three years since the HSE inspection and little progress has been made. Action needs to be taken to avoid the possible sanction of site closure.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 Financial
These have been covered in paragraphs 2.7 to 2.9 above.
- 5.2 Staffing
There are no staffing implications.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

- 6.1 Statutory
There are no statutory implications although there would be corporate liabilities for failing to respond to the findings of the HSE inspection in the event of death or serious injury.

7. OUTCOMES OF CONSULTATION

- 7.1 The trade unions have been fully informed of the proposals throughout and support the scheme.

8. RECOMMENDATIONS

- 8.1 That the Cabinet Members support the proposed budget transfers.
- 8.2 That the virements for the transfer of the amounts identified in paragraph 2.7 to 2.9 be approved.

SERVICE DIRECTOR NEIGHBOURHOOD AND ENVIRONMENT

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Background Papers used in the preparation of this report : None.