

Capital Programme Application Form



Corporate Priority	
Proposed Scheme	Council Depot, North Farm Lane, Decarbonisation
Outline of Proposal, including timescales	<p>To carry out technical appraisal, design and implementation of (part) SALIX funded decarbonisation works.</p> <p>Design & install air source heat pumps to eliminate the fossil fuel dependency and provide the heating and hot water for the property, alongside a modern control system that will also benefit the property energy efficiency.</p> <p>The existing office heating distribution is via wet underfloor heating which is suited to the ASHP outlet temperatures.</p>
Sources of funding	<p>SALIX grant £294,827 – fixed maximum funding. It should be noted that this is a grant introduced by Central Government, for which we have applied and been successfully awarded</p> <p>Capital bid £110,190 - subject to final design and procurement</p>
Objectives	Replacement of carbon heat source (gas boilers) and other works that contribute to the Council Carbon Descent Plan
Benefits	Reduction in carbon footprint and contribution to Council's net zero 2030 target.
How will the proposal contribute towards: Corporate Priority? Local Area Agreement?	<p><i>Support a well borough. Ensure innovation in our services. Ensure we operate in a business like way.</i></p> <p>.</p>

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<p>Asset Management Plan?</p> <p>Other plans and strategies (please specify)?</p>	<p><i>Reduction in carbon footprint and contribution to Council's net zero 2030 target.</i></p> <p><i>Reduction in carbon footprint and contribution to Council's net zero 2030 target</i></p>
<p>Constraints (e.g. time, reliance on external funding, legal or technical factors)</p>	<p>SALIX funding is dependent upon completion on or before end 2022-2023 financial year.</p>
<p>Is this scheme already in the Capital Programme? (If so, has the work started or has the contract been let?)</p>	<p>No</p>
<p>Does this scheme create new assets, which the Council will need to replace in due course? If so, please give the asset life expectancies.</p>	<p>Air Source Heat Pumps have 20 year lifespan – similar to the boilers they replace.</p>

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Have Accountancy agreed that the proposed expenditure should correctly be treated as capital?	Yes
Implications of proposal being rejected	Unable to take up SALIX grant funding. Boilers will need replacing in next 5 years.
Implications of proposal being delayed	Unable to deliver to SALIX grant timescale conditions hence unable to take up SALIX grant funding.
Alternative solutions (If capital funding not available)	Requirement to install new heat source in next 5 years with full cost borne by TWBC.
Risks (outline risks and action required to meet them)	<p>Time delay. Decision to progress to be made as soon as possible</p> <p>Resources – internal, specialist internal resources are limited and other projects may need to be deferred/ or made lesser priority to enable prioritisation of this project.</p> <p>Resources – external – both consultants and contractors, as well as materials are in great demand and many similar schemes are going forward at the same time. Costs may increase as a result.</p>
How does this proposal impact on equalities?	No impact

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Are there any VAT implications?	
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Capital Costs				
Expenditure	2022/23	2023/24	2024/25	2025/26
Site Acquisition				
Construction	395,000			
Structural Maintenance				
Fees	Included above			
Vehicles, Plant, Furniture and Equipment				
Grants and Contributions				
Other expenditure - contingency at 10% of TWBC funded costs	15,300			
Total	410,300			
Less external grants and contributions	242,440			
Less sales of related fixed assets				
Net cost to Tunbridge Wells Borough Council	167,860			

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Revenue Effects of Capital Expenditure				
Expenditure / Income	2022/23	2023/24	2024/25	2025/26
Loss of Interest (3% of net cost)				
Additional revenue costs (please specify)				
Reduced revenue costs (please specify)				
Additional income (please specify)				
Net cost to Tunbridge Wells Borough Council				

Net Present Value (Please speak with Finance if you are unsure what this is)	
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Date the scheme discussed by the Head of Service with the relevant Portfolio Holder:

Supply email endorsing their support for the approval of funding by Cabinet.

Work must not commence without budgetary approval from Cabinet (or s151 in an emergency)