

 Executive – 11th March 2015		Agenda Item No. 17B
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 e mail: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Lapworth	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Rural/Urban Capital Improvement Scheme details. Rural/Urban Capital Improvement Application file no. 203 onwards; correspondence with Applicant.	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	23/2/15	Chris Elliott
Head of Service	23/2/15	Mike Snow
CMT	23/2/15	Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer	23/2/15	Mike Snow
Monitoring Officer	23/2/15	Andy Jones
Finance	23/2/15	Mike Snow
Portfolio Holder(s)	23/2/15	Cllr Cross
Consultation & Community Engagement		
Community Partnership Team and Manoj Sonecha (Active Communities Officer) –Copy of report forwarded 2 nd February 2015.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report provides details of a Rural/Urban Capital Improvement Scheme grant application by Rowington Parish Council to improve the local playing field facility by replacing three old pieces of play equipment with three new modern pieces of equipment.

2. **Recommendation**

- 2.1 It is recommended that the Executive approves a Rural/Urban Capital Improvement Grant from the Rural cost centre budget for Rowington Parish Council of 50% of the total project costs to improve the local playing field facility, as detailed within paragraphs 1.1 and 3.2, up to a maximum of £7,369

As supported by appendix 1.

3. **Reasons for the Recommendation**

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grant recommended is in accordance with the Council's agreed scheme and will provide funding to help the project progress.
- 3.2 This project contributes to the Council's Sustainable Community Strategy; refurbishing this facility will increase opportunities for children within the community to enjoy and participate in physical activity which can potentially reduce anti-social behaviour and obesity, particularly in children. Without this playing field and play equipment, facilities are limited; the nearest park is in Warwick and there is a play area in Claverdon, however, for those without their own transport it is difficult to access as there is only a very limited bus service in Rowington Parish as well as the time taken to travel. The equipment to be replaced also has evidence of significant corrosion on parts of the metalwork, replacing this equipment will alleviate current health & safety concerns.

4. **Policy Framework**

- 4.1 The Rural and Urban Capital Improvement Scheme supports the Sustainable Community Strategy and the cross cutting themes which form the priorities for funding areas as follows:-
- Community Engagement & Cohesion (including Families at Risk)
 - Targeting disadvantaged rural locations
 - Narrowing the Gaps

5. **Budgetary Framework**

- 5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2014/15 is £150,000 (£75,000 for rural projects and £75,000 for urban projects).
- 5.2 In addition there is the unallocated budget from 2013/2014 of £88,884 which sits within a separate cost centre budget; this could then be used for either Rural or Urban schemes once the 2014/15 budget has been used.

- 5.3 There is £20,694 still available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the Rural Cost Centre budget in 2014/15. If the application within this report from Rowington Parish Council of 50% of the total project costs, up to a maximum of £7,369 is approved, £13,325 will remain in the Rural Cost Centre budget.
- 5.4 There is £28,831 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the Urban Cost Centre budget for 2014/15.

6. Risks

- 6.1 There are no main risks for this proposal.

7. Alternative Option(s) considered

- 7.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternative sources of funding if the Council is to provide funding for Rural/Urban Capital Improvement Schemes.
- 7.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

8. Background

- 8.1 Rowington Parish Council has submitted a RUCIS application to improve the local playing field facility by replacing three old pieces of play equipment with three new modern pieces of equipment. The application is for 50% of the total project costs up to a maximum of £7,369.
- 8.2 Three quotes have been provided; the quote from Company A, the chosen supplier, is £4,738 more expensive (total cost of £14,738 excluding vat) than the cheapest quote (total cost of £10,000 excluding vat) provided by Company B. This was queried with the Parish Council and in response the following rationale was provided;

"Company A were the suppliers of the original playground equipment in 1974, much of which remains in good order today. The known quality and potentially long life of the Wicksteed equipment is a major consideration. The PC has had many dealings with Company A over the years and has always found the company to be helpful and reliable. Company A also provided the last piece of new equipment for the playing field in c.2005. The substantial build quality and traditional design of the Company's equipment was favoured for this rural location, which is also overlooked by residential housing. The Standing Orders (30.d) of Rowington PC, state "Neither the Council, nor any committee, is bound to accept the lowest tender, estimate or quote".

The quotes have also been compared in detail which has highlighted that the three quotes obtained are not quite like-for-like comparisons:

- The cheapest quote from Company B doesn't include site security whilst work is being carried out; the chosen quote from Company A has a cost of £300, the third quote obtained from Company C has a cost of £973
- The Company B quote includes a piece of equipment entitled "Roll Up" as opposed to a roundabout as per the Company A and Company C quotes. The Roll Up is a much more basic piece of equipment which is shown

through the price of £1,525 compared to roundabouts at £2,641 (Company A) and £5,790 (Company C)

- The quotes include provision of a slide; the Company B slide is also a much more basic piece of equipment which is again shown through the price with the Company B cost of £3,030 compared to Company A at £5,028
- The above differences for roundabouts, slides and security between the Company B quote and Company A quote amount to £3,414
- If this amount was subtracted from the £4,738 quote difference noted above the difference reduces to £1,324 for the other components of the quote (i.e. those not detailed above)
- The Company A and Company C quotes are comparable like-for-like quotes; the Company A quote is £916 less than the Company C quote

The RUCIS criteria states "Three separate written quotations must be supplied"; it doesn't explicitly state that the cheapest quotation must be accepted, however, it is our practice to question where it hasn't to satisfy ourselves that the rationale is sound. If we weren't satisfied with the rationale we would either not put the application forward for consideration or would consider recommending a lesser award to recognise that a cheaper option is available.

However, in this instance we are satisfied with the Parish Council decision to accept the Company A quote and recommend that the RUCIS application be considered against these project costs.

- 8.2 Rowington Parish Council is vat registered; they will be reclaiming vat in connection to this project therefore the award will be excluding vat.
- 8.3 Rowington Parish Council has committed £7,369 to the project from their cash reserves. These funds have been evidenced through their annual accounts and the provision of a recent bank statement.
- 8.4 Rowington Parish Council has previously had successful RUCIS applications:
 - £5,550 (75% of the total project costs) for St Laurence Close play equipment in December 2004
 - £1,220 (50% of the total project costs) for improvements to playing field access in July 2005
 - £963 (50% of the total project costs) for playground resurfacing in June 2007
 - £750 (50% of the total project costs) for new entrance gateway to the playing field in September 2010

This application meets the criteria whereby after a successful grant award an organisation must wait for a minimum of 2 years before re-applying for a new grant.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Rowington Parish Council of 50% of the total cost of the project excluding vat subject to a maximum of £7,369.