

Report of the Director of Learning Culture and Children's Services and the Director of Resources

CAPITAL PROGRAMME MONITORING 2008/09 - MONITOR 1

Summary

1 This report is to:

- inform Members of the likely out-turn position of the 2008/09 Capital Programme based on the spend profile and information to the end of July 2008.
- advise Members of changes to existing schemes to allow the more effective management and monitoring of the Capital Programme.
- inform Members of any new schemes and seek approval for their addition to the Capital Programme.

Background

2 The original capital programme for the financial year 2008/09 was approved at Council on 21 February 2008. A number of amendments were then approved as part of the 2007/08 outturn report. This has resulted in a current approved Leisure & Culture Capital Programme for 2008/09 which shows gross capital expenditure of £5.643m, with £1.908m of other funding which gives a net capital programme cost of £3.735m. The table below details the approved changes to the 2008/09 capital programme since the original programme was approved in February 2008.

	Gross Spend £m	Other Funding £m	Net Spend £m
Original Capital Programme 2008/09	6.943	1.884	5.059
Slippage and Adjustments from the 2007/08 Outturn report	(1.555)	0.024	(1.579)
Current Approved Capital Programme 2008/09	<u>5.388</u>	<u>1.908</u>	<u>3.480</u>

Consultation

3 Not applicable

Options and Analysis

2008/09 Scheme Updates

- 4 Each major scheme in the capital programme has been reviewed to provide an assessment of its current status. Annex A shows the current approved capital programme and the projected outturn position for 2008/09, together with any slippage that is required into future financial years. Updates are only provided for significant schemes, with progress and variations explained in the following paragraphs.

York Pools and Indoor Sports Provision (£10.140m)

- 5 Work has now commenced on building the new pool on the York High site. However, the project board have identified the need to increase the contingency by £53k as there are a number of items within the programme which have been identified as at increased risk of exceeding current budget provision. It is proposed to transfer the £19k balance within the Pools Contingency to this scheme. The remaining £34k will be covered by a combination of £10k from York High School (which is being provided as a contribution towards the enhanced PE accommodation), and the remaining £24k by making a contribution from the pools repair and maintenance revenue budget (£12k in each of the years 2008/09 and 2009/10).

- 6 A report was presented to the EMAP meeting on 15th July 2008 setting out proposals for the use of the £200k in the capital programme which was set aside for investment in community facilities. It was agreed that a grant of £175k be given to the Melbourne Centre and a grant of £25k be given to Space 109. These amounts are currently in the programme for 2008/09.

Museum Service Heritage Lottery Bid (£1.900m)

- 7 There is a amount of £400k in the programme for 2008/09 to support three specific elements under the rolling programme of investment in the Museums Trust. Of this £400k, an amount of £200k has already been paid to the Trust to support work at the Art Gallery. A further £100k has been earmarked for work at the Castle Museum and is likely to be paid to the Trust shortly. The remaining £100k is set aside to fund work at the Yorkshire Museum. The release of this funding is dependent on plans for the Cultural Quarter.

Parks and Open Spaces Section 106 Development (£0.501m)

- 8 In 2008/09 further work will be carried out at Hull Road Park which will contribute to the aim of meeting Green Flag standard by 2010/11. The next phase of work is the restoration of the tennis and basketball facilities which is scheduled to be carried out over the autumn. This work includes the provision of new improved fencing, improved drainage and a new tarmac playing surface. The range of activities will also be increased with provision for football within one of the courts.

Acomb Library (£0.750m)

- 9 This scheme is now complete with only the retention outstanding.

War Memorial Gardens (£0.030m)

- 10 For several years a sum of £10k has been included in the capital programme as a contribution to the re-fencing of War Memorial Gardens on Leeman Road. This sum was added to the programme on the basis that the rest of the money needed would be found from external sources. However it has not been possible to access any additional sources of funding and as a result the Executive Member is now asked to reconsider the appropriateness of the scheme and either:
- (a) agree to an alternative scheme being drawn up to the value of the funding available
- or
- (b) continue to seek ways to implement a scheme to fence the gardens in the future (the cost of which is now estimated at £40k), and in the meanwhile
 - (i) transfer the £10k into the Parks S106 Development Fund for use on a suitable scheme within the Micklegate / Holgate area.
 - (ii) seek additional funding sources for the War Memorial Gardens scheme, including through the 2009/10 CRAM process.

If in the future, an additional source of funding is identified for the fencing scheme, a contribution would be made from the Parks Section 106 Development Fund (subject to such funding being available).

Scheme Additions and Transfers

- 11 There are no additional schemes to report as part of this monitoring exercise.

Corporate Priorities

- 12 The budgets covered in this report reflect the council's corporate objectives for 2008/09.

Financial Implications

- 13 As a result of this monitoring cycle a number of minor adjustments to existing schemes within the programme are required. Annex 1 provides a complete view of the 2008/11 Leisure and Culture Capital Programme, taking into account the review of all existing schemes set out in this report.
- 14 The budget for the York High Pool scheme increases by £53k to reflect the virement of £19k from contingency, a contribution of £10k from the school's devolved formula capital, and an amount of £24k which will be contributed from the Pools Revenue Repair and Maintenance budget.
- 15 The removal of the War Memorial Gardens external funding from the programme reduces the 2008/09 budget by £20k.
- 16 The result of the amendments described above is to produce a revised capital programme for 2008/09 of £5.401m funded by £1.912m of external resources, and resulting in a net cost to the council of £3.489m.

Table 2 - Summary of Amendments to the 2008/11 Capital Programme

Gross Leisure and Culture Capital Programme	2008/09	2009/10	2010/11	Total
	£m	£m	£m	£m
Current Approved Capital Programme	5.388	3.413	1.100	9.901
<u>Adjustments: -</u>				
Scheme Slippage and Reprofiling	0.009	(0.009)	-	-
Addition to York High Pool Scheme	0.012	0.022	-	0.034
Reduction in War Memorial Gardens Scheme	(0.020)	-	-	(0.020)
Revised Capital Programme 2007/10	5.389	3.426	1.100	9.915

Other Implications

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- **Human Resources:** not applicable
- **Equalities:** not applicable
- **Legal:** not applicable
- **Crime and Disorder:** not applicable
- **Information Technology:** not applicable
- **Property:** not applicable

Risk Management

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There is always a degree of risk associated with operating a capital programme as schemes are developed and implemented. The key to minimising this risk is the effective operation of monitoring and control processes. This report is part of that process, where updated figures and corrective actions are proposed

Recommendations

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The Executive Member is recommended to: -

- note the updates to schemes as detailed above
- agree the scheme amendments and additions reported above and summarised in Annex A
- approve the revised capital programme as set out in Annex A

to enable the effective management and monitoring of the capital programme.

The Executive Member is also requested to decide which of options (a) or (b) in paragraph 10 in respect of War Memorial Gardens should be followed

to allocate the £10k currently in the capital programme to the most appropriate use.

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Report
Approved



Date 18/08/2008

Sian Hansom
Head of Finance

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

Capital Programme 2008/09 Estimate and Monitoring Files

Annex

Annex A - Capital Programme 2008/09 – 2010/11