
Executive

25 August 2016

**Report of the Director of Customer and Business Support
Services
Portfolio of the Executive Member for Finance and Performance**

CAPITAL PROGRAMME – MONITOR 1 2016/17

Summary

- 1 The purpose of this report is to set out the projected outturn position for 2016/17 including any under/over spends and adjustments, along with requests to re-profile budgets to/from current and future years.
- 2 The 2016/17 capital programme approved by Council on 25 February 2016, updated for amendments reported to Executive and Council in the July Outturn Report resulted in an approved capital budget of £98.035m.

Recommendations

- 3 Executive is asked to:
 - Recommend to Full Council the adjustments resulting in an increase in the 2016/17 of £2.111m as detailed in the report and contained in Annex A.
 - Note the 2016/17 revised budget of £100.146m as set out in paragraph 6 and Table 1.
 - Note the restated capital programme for 2016/17 – 2020/21 as set out in paragraph 17, Table 2 and detailed in Annex A.

Reason: to enable the effective management and monitoring of the Council's capital programme.

Consultation

- 4 The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 25

February 2016. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

Summary of Key Issues

- 5 An increase of £2.111m is detailed in this monitor resulting in a revised capital programme of £100.146m. There is an increase of £2.216m in 2016/17 attributable to an increase in government grants available, use of S106 funds and use of capital receipts. This is offset by a £0.105m decrease in 2016/17 due to re-profiling of budgets to future years.
- 6 Table 1 outlines the variances reported against each portfolio area.

Department	Current Approved Budget £m	Projected Outturn £m	Variance £m	Paragraph Ref
Children's Services, Education & Skills	11.853	11.853	0.000	
Adult Social Services	1.472	2.996	1.524	8-9
Communities Culture & Public Realm	2.235	2.386	0.151	10-15
Housing & Community Safety	26.232	26.232	0.000	
Highways & Waste	8.568	8.815	0.247	14
Transport	19.366	19.635	0.269	15-17
Community Stadium	19.000	19.000	0.000	
Asset Management	5.095	5.095	0.000	
West Offices - Admin Accom	0.498	0.498	0.000	
IT Development Plan	3.043	3.043	0.000	
Misc(Contingency)	0.673	0.593	(0.080)	20
Total	98.035	100.146	2.111	

Table 1 Capital Programme Forecast Outturn 2016/17

Analysis

- 7 A summary of the key exceptions and implications on the capital programme are highlighted below.

Adult Social Services & Public Health

- 8 The Older Persons Accommodation Review scheme has been updated to reflect approvals by Executive in reports on 19th May and 14th July in relation to increases in the scheme budget of £981k to reflect enabling works at Burnholme and £600k to meet acquisition and legal costs and fund demolition costs at Haxby Hall.
- 9 A number of other minor adjustments have been made to the Adult Social Care programme resulting in a net reduction to the programme of £57k in 16/17.

Communities, Culture and Public Realm

- 10 A number of amendments have been made as part of this report resulting in a net increase to the capital programme of £151k in 16/17.
- 11 A budget of £80k has been allocated to the York Explore scheme from Capital contingency in order to fund a proposed capital grant to York Explore to contribute to the purchase of a mobile library vehicle in Haxby following the closure of Haxby library on 16th July on the grounds of public safety following a structural survey.
- 12 Options are being investigated for a new library building in the area, however this is likely to take upwards of 2 years to deliver therefore an interim service is needed for Haxby. The most cost effective way to deliver this will be through the acquisition of an additional mobile vehicle allowing it to be based in the area to cover the current library opening hours.
- 13 This proposed option also has the benefit of addressing the problem that York Explore's existing mobile library which is now life-expired in that once a new library is built for Haxby, the new mobile vehicle will be retained and the original mobile vehicle disposed of.

- 14 The budget previously held under the Millfield Lane Community Sports Centre scheme of £180k has been removed as it is no longer required now the Manor School has become an Academy.
- 15 The Parks and Open spaces scheme has been updated to reflect proposed in year activity, resulting in an increase of £200k all funded from S106 contributions and external income.

Highways & Waste

- 16 The Highways Resurfacing and reconstruction scheme has increased by £247k as a result of the receipt of additional capital grants for Potholes and an incentive payment from the Local Highways Maintenance Fund, allowing the existing programme of works to be increased.

Transport

- 17 There have been a number of amendments to this area as part of this report resulting in a net increase to the capital programme in 16/17 of £269k.
- 18 Additional Better Bus area 2 grant has been identified and will be added to the existing programme of works, increasing the budget for this scheme by £136k.
- 19 The Local Transport Scheme budget has reduced by £217k to allow reallocation of LTP funding to the Access York scheme to cover the retention payment and payment of land compensation claims. An additional £133k of S106 funding has also been added to the Access York scheme in relation to four specific schemes including Campleshon Road crossing and bus stops, New Lane Puffin Crossing and York College cycle route.

Capital Contingency

- 20 As detailed in paragraphs 11-13 an £80k contribution from Capital contingency has been allocated to fund the proposed capital grant to York Explore to contribute to the purchase of a mobile library vehicle for the Haxby area following the closure of Haxby Library on the grounds of public safety.

Summary

21 As a result of the changes highlighted above the revised 5 year capital programme is summarised in Table 2.

Gross Capital Programme	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m
Children's Services, Education & Skills	11.853	19.367	5.987	3.837	5.081	46.125
Adult Social Services and Public Health	2.996	1.042	0.915	0.565	0.565	6.083
Communities Culture & Public Realm	2.386	0.030	0	0	0	2.416
Highways & Waste	8.815	3.168	2.977	2.977	2.977	20.914
Housing & Community Safety	26.232	9.535	9.547	9.401	9.862	64.577
Transport	19.635	4.381	1.710	1.660	1.660	29.046
Community Stadium	19.000	17.895	0	0	0	36.895
Asset Management	5.095	0.300	0.300	0.300	0.300	6.295
West Offices - Admin Accom	0.498	0	0	0	0	0.498
IT Development Plan	3.043	2.245	2.025	1.970	1.085	10.368
Contingency	0.593	0	0	0	0	0.593
Revised Programme	100.146	57.963	23.461	20.710	21.530	223.810

Table 2 Revised 5 Year Capital Programme

Funding the 2016/17 – 2020/21 Capital Programme

22 The revised 2016/17 capital programme of £100.146m is funded from £44.664m of external funding and £55.482m of internal funding. Table 3 shows the projected call on resources going forward.

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m
Gross Capital Programme	100.146	57.963	23.461	20.710	21.530	223.810
Funded by:						
External Funding	44.664	42.845	15.544	13.554	15.563	132.170
Council Controlled Resources	55.482	15.118	7.917	7.156	5.563	91.640
Total Funding	100.146	57.963	23.461	20.710	21.530	223.810

Table 3 – 2016/17 –2020/21 Capital Programme Financing

23 The Council controlled figure is comprised of a number of resources that the Council has ultimate control over how it chooses to apply them, these include Right to Buy receipts, Revenue Contributions, Supported (government awarded) Borrowing, Prudential (Council funded) Borrowing, Reserves and Capital Receipts.

24 Capital receipts should be considered at risk of not being realised within set time frames and to the estimated values until the receipt is received. The capital programme is predicated on a small number of large capital receipts which, if not achieved, would cause significant funding pressures for the programme. The Director of Customer and Business Support closely monitors the overall funding position to ensure that over the full duration of the capital programme it remains balanced. Any issues with regard to financing will be reported as part of the standard reporting cycle to the Executive.

Council Plan

25 The capital programme is decided through a formal process, using a Capital Resource Allocation Model (CRAM). CRAM is a tool used for allocating the Council's capital resources to schemes that contribute toward the achievement of the Council Plan. The Capital Asset Board (CAB) meet monthly to ensure the capital programme targets the Councils Plan. The capital programme addresses all priorities of the Council Plan as shown in the main body of the report.

Implications

Financial Implications

26 The financial implications are considered in the main body of the report.

Human Resources Implications

27 There are no HR implications as a result of this report

Equalities Implications

28 There are no equalities implications as a result of this report

Legal Implications

29 There are no legal implications as a result of this report

Crime and Disorder

30 There are no crime and disorder implications as a result of this report

Information Technology

31 The information technology implications are contained in the main body of the report.

Property

32 The property implications of this paper are included in the main body of the report.

Risk Management

33 The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Capital Asset Board (CAB) meets regularly to plan monitor and review major capital schemes to ensure that all capital risks to the Council are minimised.

Contact Details

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Wards Affected: All			

For further information please contact the author of the report

Specialist Implications:

Legal – Not Applicable

Property – Not Applicable

Information Technology – Not Applicable

Annexes

Annex A – Capital Programme 2016/17 to 2020/21