
**Decision Session –
Executive Member for City Strategy**

1 December 2009

Report of the Director of City Strategy

**City Strategy Capital Programme – 2009/10 Monitor 2
Report**

Report Summary

1. The purpose of this report is to:
 - Inform Members of the likely outturn position of the 2009/10 Capital Programme based on the spend profile and information to the end of October 2009;
 - To make adjustments to scheme allocations to align with latest cost estimates and delivery projections;
 - To inform the Executive Member of any slippage, and seek approval for the associated funding to be slipped between the relevant financial years to reflect this.

Recommendations

2. The Executive Member is requested to approve the following changes, subject to the approval of the Executive:
 - i) the adjustments set out in Annexes 1 and 2.
 - ii) the slippage of £125k of Section 106 funding to a future year.

Reason: To enable the effective management and monitoring of the council's capital programme.

Background

3. The City Strategy 2009/10 transport base budget was confirmed at Full Council on 26 February 2009. Since then a number of amendments have taken place as reported to Executive Members in the 2008/09 Capital Outturn report, the Consolidated report (July) and the Monitor 1 report (September).

4. The current approved budget for the City Strategy Capital Programme for 2009/10 is **£5,270k**, which includes £2,933k of Local Transport Plan (LTP) funding, plus other funding from the Cycling City grant, Road Safety grant, Regional Funding Allocation (RFA) Supplementary Grant, developer contributions and council resources. This represents the budget available to spend and is therefore net of the over-programming built into the Local Transport Plan element of the programme. The overprogramming seeks to address the problem of schemes being delayed due to unforeseen circumstances arising.
5. As previously reported to Members, the Regional Transport Board agreed that due to underspends in the major schemes block across the Region, additional funds from the RFA should be transferred to Local Authority LTP block allocations in 2009/10 and 2010/11. The Executive approved the use of £450k of this funding in the 2009/10 capital programme in April.
6. Following a report to the Executive in July, it was agreed that the remainder of this funding allocation would be used to allow further development work on the Access York and Haxby Station schemes to be undertaken, and to implement one of the Outer Ring Road improvement schemes (at the A19/A1237 roundabout) in 2010/11. A further report to the Executive Member in September identified that the funding requirements for the A19/A1237 roundabout would be lower than originally anticipated, releasing additional funds for the delivery of other schemes in the council's Integrated Transport programme.
7. The full City Strategy Capital Programme also includes funding from council resources for maintenance of the City Walls and repairs to the riverbank along a section of Public Footpath Rawcliffe No.1.
8. Table 1 illustrates the current approved capital programme.

Table 1: Current Approved 2009/10 Capital Programme

	Gross Budget £000s	External Funding* £000s	Capital Receipts £000s
Original Budget approved by Council at 26 February 2009	5,742	5,502	240
Additions/reductions in 08/09 outturn report	+44	-15	+59
Additions/reductions from 08/09 outturn report approved at Monitor 1	-516	-441	-75
Current Approved Capital Programme	5,270	5,046	224

*External funding refers to government grants, non government grants, other contributions, developers contributions and supported capital expenditure.

Summary of Key Issues

9. At this stage of the year, feasibility and outline design work has been carried out for the majority of schemes in the capital programme, and it has been possible to provide more accurate cost estimates for schemes.
10. Each main block within the LTP element of the programme has a budget figure allocated, which indicates the level of funding available, and a programme figure, which shows the value of all the schemes being progressed. Following reviews of scheme progress, it has been possible to identify the schemes that can be implemented in 2009/10, and identify those schemes where implementation will be deferred until 2010/11. This has allowed the level of overprogramming to be reduced.
11. The current spend to the end of October is £1,504k, which represents 29% spend on the total budget allocation (i.e. the programme minus overprogramming). This is a lower level than the spend at this time in 2008/09 (£2,298k), however the 2008/09 City Strategy Capital Programme included the structural maintenance schemes, which accounted for a significant amount of the spend at this time last year. These schemes were transferred to the Neighbourhood Services capital programme from April 2009.
12. The current approved budget and proposed adjustments is indicated in Table 2 below. Additional information, including details of the proposed changes to allocations, is provided in the Annexes to the report.

Table 2: Capital Programme Forecast Outturn 2009/10 – 2010/11

Gross City Strategy Capital Programme	2009/10 £000s	2010/11 £000s	Total £000s	Paragraph Ref
Revised Capital Programme	5,270	7,097	12,367	
Adjustment				
Developer contribution schemes	-125		-125	Annex 1
Revised Capital Programme	5,145	7,097	12,242	

Scheme Specific Analysis

13. The key proposed changes included in this report are summarised below and are detailed in Annex 1.
 - Reduced allocations for the Blossom Street and Fishergate Gyrotory schemes, which have been deferred to 2010/11 due to the longer length of time required to develop these schemes for implementation.
 - Reduced allocation for the Coach Strategy scheme, as it is proposed to defer a decision on the delivery of the coach rendezvous point until the City Centre Area Action Plan is completed.

- Reduced allocation for the Haxby Station scheme, due to delays in the Network Rail approvals process.
 - Deferment of the Wigginton Road and Bootham Crossing cycle schemes to 2010/11, due to the length of time required to develop these schemes.
 - Deferment of the Beckfield Lane Phase 2 scheme to 2010/11, subject to the availability of an acceptable layout for implementation.
14. Good progress is being made on the delivery of schemes in the programme including the Fulford Road multi-modal scheme, Crichton Avenue cycle route and Mill Lane/Wigginton Road traffic signals, which are all anticipated to be delivered by the end of the year.

Consultation

15. The capital programme was developed under the Capital Resource Allocation model (CRAM) framework and agreed at Full Council 26 February 2009. Whilst consultation is not undertaken for the capital programme on an annual basis the proposals follow the principles of the Local Transport Plan, which was prepared following extensive consultation. Individual scheme proposals follow a consultation process with local councillors and residents in the locality of the individual schemes.

Corporate Priorities

16. 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 scarce capital resources to schemes that meet corporate priorities.
17. The City Strategy Capital Programme supports the Sustainable City, Thriving City and Safer City elements of the new Corporate Strategy.
18. **Sustainable City** We aim to be clean and green, reducing our impact on the environment while maintaining York's special qualities and enabling the city and its communities to grow and thrive. Improvements to cycle routes, walking routes and public transport will help to meet this objective.
19. **Thriving City** We will continue to support York's successful economy to make sure that employment rates remain high and that local people benefit from new job opportunities. Improvements to the city's sustainable transport network including the provision of three new Park & Ride sites will assist the economy by reducing the impact of congestion.
20. **Safer City** We want York to be a safer city with low crime rates and high opinions of the city's safety record. Improvement schemes and speed management measures are targeted at prioritised sites to reduce casualties. Education and enforcement campaigns complement the highway improvement works.

Implications

21. The report has the following implications:

- **Financial** – See below
- **Human Resources (HR)** – There are no HR implications
- **Equalities** – There are no equalities implications
- **Legal** – There are no legal implications
- **Crime and Disorder** – There are no crime and disorder implications
- **Information Technology (IT)** – There are no IT implications
- **Property** – There are no property implications
- **Other** – There are no other implications

Financial Implications

22. The LTP allocation for 2009/10 was confirmed by the Government Office for Yorkshire and the Humber on 27 November 2007. The City Strategy Capital Programme budget was agreed by the Budget Council as part of the overall CYC Capital Programme on 26 February 2009. The programme was amended to include carryovers from the 2008/09 Capital programme in the City Strategy Capital Programme report at the July Decision Session meeting, and was amended at the City Strategy Capital Programme Monitor 1 report in September.

23. If the changes proposed in this report are accepted, the total value of the City Strategy Capital Programme for 2009/10 would be **£5,605k** including overprogramming. The overprogramming would decrease from £1,254k to **£460k**, which is lower than the same period in 2008/09 (£762k). The lower overprogramming figure this year is considered to be appropriate due to the good progress achieved on the larger schemes in the programme.

24. Due to a projected overspend in the council's revenue budget, options are being prepared to ensure the budget is balanced. One option being considered is to reduce the expenditure on City Strategy capital schemes in the year by up to £250k to allow the monies to be used to fund capital items currently included in the revenue budget. Should this option be required and full spend of the capital programme was anticipated, then it would be proposed to defer the start of schemes planned to commence towards the end of the financial year and complete them early in 2010/11 using the 2010/11 budget allocation.

25. It is proposed that the budget is reduced to £5,145k with the proposed funding sources adjusted as indicated in the following table. The £450k allocation against the RFA supplement will leave £2,327k of RFA funding for the delivery of the A19/A1237 roundabout scheme and progression of the Haxby Station and Access York schemes. The apportionment of any remaining funds will be proposed in the 2010/11 budget report to the March 2010 Decision Session.

	Monitor 1 Funding £000s	Proposed Changes £000s	Proposed Monitor 2 Funding £000s
LTP Settlement	2,933		2,933
Regional Funding Allocation	450		450
Developer Contributions	500	-125	375
Road Safety Grant	43		43
Cycling City Grant	1,120		1,120
CYC Resources	224		224
Total	5,270	-125	5,145

Risk Management

26. The Capital Programme has been prepared to assist in the delivery of the objectives of the Local Transport Plan. The Department for Transport will assess the progress of the LTP against the targets set in the plan. If the schemes included within the programme do not have the anticipated effect on the targets, it is possible that the council will receive a lower score, and consequentially there is a risk that future funding will be reduced.

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Specialist Implications Officer(s) N/A

Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers:

City Strategy Capital Programme – Monitor 3 Report – 16 March 2009
2009/10 City Strategy Transport Capital Programme – 31 March 2009
City Strategy Capital Programme – Outturn Report – 2 June 2009

City Strategy Capital Programme – 2009/10 Consolidated Budget Report – 7
July 2009
City Strategy Capital Programme – 2009/10 Monitor 1 Report – 1 September
2009

Annexes

Annex 1: 2009/10 Monitor 2 Report – Scheme Progress Report

Annex 2: Summary of Proposed Changes

Annex 3: Current and Proposed Budgets for 2009/10 Capital Programme