

Report of the Corporate Finance & Commercial Procurement Manager
(Interim S151 officer)

**Capital Programme Outturn 2019/20 and Revisions to the 2020/21–
2024/25 Programme**

Report Summary

1. The purpose of this report is to set out the capital programme outturn position including any under or over spends, overall funding of the programme and an update as to the impact on future years of the programme.
2. The report contains details of the capital investment made during 2019/20 and how this has supported delivery of the Council Plan. Key areas of investment are listed below with further details contained in the body of the report.
 - £2.2m on construction of a purpose built facility to provide short breaks for young people with disabilities scheduled to open in October
 - £2.1m to complete a new gym, changing rooms, two studios and a refurbished sports hall at Burnholme
 - £3.6m to ensure construction work on new homes at Lowfields could start in December 2019
 - £7.8m on the modernisation and repair of council homes
 - £1.8m to provide adaptations to ensure residents can live in their own homes for longer
 - £4.1m to develop a new homeless hostel at James House
 - £4m to acquire new Shared Ownership homes
 - £3m on the creation of 15 new fully wheelchair accessible properties and 20 fully refurbished apartments at Lincoln Court
 - £2.1m on starting phase 1 of the main build at Marjorie Waite Court
 - Investment of £5.5m to improve highways
 - £2.6m on a range of measures under the Local Transport Plan

- £3m on charging infrastructure to prepare for a new fleet of electric buses
- £1.9m on continued works to deliver York Central
- £3.5m on work to deliver a comprehensively refurbished and renewed Guildhall
- Commercial Property acquisition of £4.5m
- £8m on the development of the York Stadium Leisure Complex, which is now practically complete
- Investment of £3.8m to deliver significant ICT developments and improvements

3. Some of the direct outcomes from this investment include:

- 93 new affordable homes
- 20 new shared ownership properties
- 140.876m² of the maintenance carriageways resurfaced and 9,332m² of footway schemes, including the York stone renewal in Stonegate
- Upgrade of traffic signals at 8 locations
- Rapid deployment of ICT services to enable effective remote working for members and officers

4. The report shows an outturn of £85.707m compared to an approved budget of £121.456m, an overall variation of £35.749m.

5. The net variation of -£35.749m is made up as follows:

- Requests to re-profile budgets of a net -£38.892m of schemes from 2019/20 to future years (currently approved budgets in the capital programme but requires moving to or from future years in line with a changing timetable of delivery for individual schemes)
- Adjustments to schemes increasing expenditure by a net £3.143m, mainly due to additional grant funding being received.

6. The level of re-profiling reflects the scale of the capital programme, and in particular that it contains a number of major and complex projects. The overall capital programme continues to operate within budget, due to careful management of expenditure against the budget.

7. The main areas of re-profiling included within the £38.892m include:

- £2.838m – York Central Infrastructure
- £2.562m – Shared Ownership Scheme
- £1.956m – Centre of Excellence for Disabled Children (Lincoln Court)
- £1.943m – Major Repairs & Modernisation of LA Homes
- £1.865m –Community Stadium
- £1.627m – Highways& Transport –Ward Committees
- £1.477m – Guildhall
- £1.213m – Highways Schemes
- £1.159m – Building Insulation Programme – Improving energy efficiency
- £1.108m – Local Transport Plan
- £0.910m – Southbank Expansion
- £0.867m – WYTF Station Frontage
- £0.863m – Lincoln Court Independent Living Scheme
- £0.859m – Castle Gateway (Piccadilly Regeneration)

Recommendations

8. The Executive is requested to
 - Note the 2019/20 capital outturn position of £85.707m and approve the requests for re-profiling totalling £38.892m from the 2019/20 programme to future years.
 - Note the adjustments to schemes increasing expenditure in 2019/20 by a net £3.143m
 - Recommend to Full Council the restated 2020/21 to 2024/25 programme of £600.615m as summarised in Table 3 and detailed in Annex A

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

Consultation

9. The capital programme was developed under the capital budget process and agreed by Council on 28 February 2019. 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

10. The COVID-19 pandemic began during the last few weeks of the 2019/20 financial year. Whilst this did not materially impact on the overall 2019/20 Capital outturn position, it will have a significant impact on the Council's finances in 2020/21 and possibly for a number of years to come. Work is ongoing to consider planned capital investment to ensure this is consistent with the Council's Recovery and Renewal Strategy and the outcome of this will be reported to future meetings.

11. A net decrease of £35.749m is detailed in this monitor resulting in a revised capital programme of £85.707m. There is an increase of £3.143m in 2019/20 attributable to the net effect of additional grant received in year. This is offset by a £38.892m decrease in 2019/20 due to re-profiling of budgets to future years.

12. Table 1 outlines the variances reported against each portfolio area.

Department	Current Approved Budget £m	Projected Outturn £m	Increase (decrease) £m	Reprofile £m	Total Variance £m	Paragraph Ref
Children, Education & Communities	12.284	7.081	0.464	(5.667)	(5.203)	15 - 25
Health, Housing & Adult Social Care – Adult Social Care	5.321	4.606	(0.123)	(0.592)	(0.715)	26 – 30
Health, Housing & Adult Social Care – Housing & Community Safety	37.758	30.652	3.107	(10.213)	(7.106)	31 – 52
Economy & Place – Transport, Highways & Environment	31.559	18.652	(0.339)	(12.568)	(12.907)	53 - 69
Economy & Place – Regeneration & Asset Management	17.666	11.707	0.116	(6.075)	(5.959)	70 – 79
Community Stadium	10.143	8.285	0.007	(1.865)	(1.858)	88-89
Customer & Corporate services	2.260	0.844	(0.106)	(1.310)	(1.416)	80 - 85
IT Development Plan	4.465	3.880	0.017	(0.602)	(0.585)	86 – 87
Total	121.456	85.707	3.143	(38.892)	(35.749)	

Table 1 – Summary of capital outturn by department

13. The following paragraphs set out the main variances and the requirements for re-profiling above £100k. All other variations below £100k are shown in the accompanying annex. All the explanations are based on movement against the approved monitor 3 position.

Children, Education & Communities

14. Capital Expenditure within the Children, Education & Communities service area totalled £7.081m in 2019/20.
15. The majority of this expenditure was incurred under four major scheme headings where there was significant work and progress in 2019/20. These schemes were: The centre of excellence for disabled children; schools condition and maintenance works; schools basic need accommodation works, and investment in facilities for SEND provision.
16. Expenditure within the main basic need scheme was incurred on supporting work at three schools, Lord Deramore's and St Lawrence's Primary Schools and Fulford School. At Lord Deramore's, the expenditure funded additional work associated with the Department for Education (DfE) funded primary school building programme scheme. The St Lawrence's Primary School and Fulford School expenditure related to contributions to assist with larger expansion and modernisation schemes.
17. The basic need scheme budget is currently supported by an amount of £3.710m of prudential borrowing, the revenue cost of which was to be charged to the Dedicated School Grant (DSG). However, due to a reduction in the part of the DSG that this was to have been funded from, this is no longer affordable, therefore this funding needs removing. This results in a reduction in the basic need scheme budget by this amount
18. The work carried out at St Mary's Primary in 2019/20 was phase 2 of a project to provide additional classroom space and was completed in the summer of 2019. The additional expenditure has been funded by an increase in basic need allocated to the project
19. The Archbishop Holgate Academy expansion scheme was approved at Executive on 24th October 2019, to provide basic need funding for a three storey classroom block at Archbishop Holgate's School. Only a small amount of funding was drawn down by Pathfinder Multi-Academy Trust in 2019/20 to fund expenditure.

20. Expenditure within the schools condition and maintenance work schemes totalled £2.767m in 2019/20. Significant schemes completed within this heading were as follows: at Clifton Green Primary School - phase 1 of Roof replacement works together with a boiler refurbishment; Dringhouses Primary School – pipework, roof, external fencing and paving; Fishergate Primary – boiler repairs; Headlands Primary – roof works; Poppleton Road Primary – windows; Stockton on Forest Primary – rewire; St Pauls Nursery – roof and structural work; Westfield Primary School – windows, doors and gutters; Wigginton Primary – window replacement. Funds of £1.045m are to be re-profiled into future years due to some scheme underspends and payments outstanding.
21. Capital expenditure within the centre of excellence build has totalled £2.242m in 2019/20. The scheme has progressed well over the year with the main building project well advanced. Handover is currently scheduled for September 2020 with opening in early October. This facility will provide short breaks for young people with disabilities in a purpose built facility and also expand the service support offer in the community and assist in reducing the need for out of authority placements by providing much more flexible provision in the city.
22. Significant work has been completed within the SEND Expansion of facilities scheme in 2019/20 which also benefitted from additional DfE grant funding of £609k in the financial year. The most significant scheme in here was the additional classroom provision at Applefields Special School which was completed at a cost of £350k. Other works were carried out at Danesgate and funding support provided to Askham Bryan College for additional facilities for SEND provision
23. The York Explore – fit out of Hungate premises scheme is a new addition to the programme and reflects the use of a Section 106 receipt from the Hungate development to fit out the new Hungate library and reading cafe as the community facility of the development. The work has been successfully organised by Explore.
24. Phase 1 of the energise roof works was carried out in spring 2020 with capital expenditure totalling £120k. A small amount of the budget needs moving into 2020/21 to fund outstanding payments. Phase 2 is planned for 2020/21

Health, Housing & Adult Social Care – Adult Social Care

25. Capital expenditure within the Adult Social Care service area totalled £4.606m in 2019/20.
26. The Ashfield estate football pitches scheme has an outturn of £488k in 20/20. The project was initially delayed as a result of the wet weather over the winter and the pitch contractor is now back on site to complete their portion of the works. The construction of the pavilion / changing rooms has been put on hold due to the Covid-19 restrictions and it is not known when the work will be able to restart. The final procurement for the access road has also been put on hold. £425k of budget has therefore been reprofiled into 2020/21.
27. The contract for the Burnholme sports centre is now complete and was delivered in line with the budget with £2.146m being spent in 2019/20. The facilities include a new gym, new changing rooms for indoor and outdoor sports, two studios and a refurbished sports hall. The pitches have also been levelled, reseeded and fenced and will be available for outdoor team sports over the winter 2020/21 season onwards.
28. The Lowfields enabling work scheme has a capital outturn position of £1.145m in 2019/20. In order to accelerate the construction programme at Lowfield Green, a package of enabling works was procured. This was grant funded through Homes England's Accelerated Construction Fund which provided over £1.4m of grant to the site. The works included preparatory site clearance, formation of a new access to the site, utilities diversions and formation of haul roads. These works have considerably aided the main housebuilding works at Lowfield Green which commenced in December 2019.
29. The disability support budget, telecare and major items of disability equipment schemes had a total outturn position of £593k in 2019/20 which enabled the council to maintain a flexible approach towards supporting residents to remain in their own homes and communities, reducing the need for formal social care. The council provides funding above the disabled facilities grant current maximum of £30k through the use of interest free loans and/or home appreciation loans, both are which funded from this budget.

Health, Housing & Adult Social Care – Housing & Community Safety

30. Capital expenditure on schemes within the Housing & Community Safety service area totalled £30.652m in 2019/20. The capital budget has been used to provide £7.8m of housing repairs, £2.5m on aids and adaptations to people's homes, £4.1m on creating a new homeless hostel at James House and £15.9m on the provision of new homes and the shared ownership scheme
31. The local authority homes phase 1 scheme has a capital outturn position of £758k in 2019/20. Phase 1 of the new council house building programme is nearing completion with 93 new affordable homes being completed across sites at Beckfield Lane, Pottery Lane, Fenwick Street, Pack of Cards/Lindsey House, Hewley Avenue, Glen Lodge and most recently, Newbury Avenue.
32. The final properties in this phase are Marjorie Waite Court which will be completed in the winter of 2020 providing 33 additional units and the 57 bed hostel at James House which will open in June 2020.
33. Newbury Avenue/Cheltenham Court is a redevelopment of a much underused garage court site to create 5 bungalows. The project was completed in February 2020. Two of the bungalows are fully adapted for wheelchair users which includes level access showers and height adjustable cookers and sinks. In addition an underused communal area in front of the bungalows was redeveloped with raised planters and seating. The new tenants have expressed nothing but praise for the scheme.
34. The total budget for the Glen Lodge scheme was £4.151m. The new 27 units have been open for some time with just the retention payment of £88k due in 2020/21. This project has underspent by £228k which is proposed to be reallocated to offset the overspend on other schemes.
35. Phase 1 of the main build at Marjorie Waite Court is progressing well, with capital expenditure of £2.130m in 2019/20. The roof work has been completed as well as the under floor heating and screed, enabling the first fix to commence. The contractor suspended work during the COVID-19 pandemic and as such this delay will incur costs. Once the financial impact of this situation is known, a further update

will be provided through the monitoring report. A budget of £801k is to be re-profiled to 2020/21.

36. The conversion of James House from offices to 57 self-contained apartments for temporary homeless accommodation completed on 14th April 2020, fifteen months behind schedule. This scheme has a capital outturn position of £4.131m in 2019/20. For homeless households the self-contained apartments will offer safe, secure and comfortable accommodation before permanent housing can be found for them. It will give them access to specialist housing support and help reduce the social isolation that homelessness can often bring. James House was open to residents in June 2020.
37. Final costs have not been finalised but are currently £1.782m above the agreed budget of £12.4m. The council have appointed independent experts to review the programming, delay and quantity surveying aspects of the project. The additional costs of the scheme can be funded from the balance of the £20m phase 1 investment reserve which is forecast to stand at c£2.5m following the end of the phase 1 scheme programme and an increase in Homes England grant of £485k.
38. The phase 1 programme also includes the shared ownership scheme which has a capital outturn position of £4.030m in 2019/20. In 2019/20 we have acquired 20 shared ownership homes across the city with 24 being sold within the year, taking the total of shared ownership properties in the portfolio to 31 of which 30 have been sold. The budget for this scheme is modelled on 50% of each home being funded by the Housing Revenue Account (HRA) and resources from Homes England funding. The matched funding is received as a capital receipt when the purchaser buys an equity share of the property, as such the receipts from the sale of the 20 shared ownership homes are required to be reinvested back in to the programme and will increase the budget by £2,693k of which, £2,562k should be re-profiled to 2020/21.
39. The Lincoln Court project has a capital outturn position of £2.997m which has seen the creation of 15 new fully wheelchair accessible properties and 20 fully refurbished apartments. Poor weather conditions in January and February 2020 created a minor delay on the roofing works. The project team is working with housing management colleagues to plan and prepare for handover. Contractor work was suspended at the end of the year due to the COVID-19 pandemic and

any cost implication of this action will be reported in future monitoring reports. £863k of the 2019/20 budget is to be re-profiled to 2020/21.

40. The local authority homes phase 2 scheme has a capital outturn position of £102k in 2019/20. This budget is for future housing delivery schemes not included in the first phase of 8 sites, it has also been used to make purchases of one off properties for social rent to increase the housing stock and maximise the 1-4-1 right to buy receipts which are time limited. One such property has been purchase in 2019/20. A notional budget of £1m has been allocated in this financial year for this purpose from the total budget of £5.2m. £300k will be funded from right to buy receipts. £764k underspend in 2019/20 is to be re-profiled to 2020/21.
41. The purchase of the Duncombe Barracks site was completed in August 2019 and work is now underway on design and feasibility of around 36 homes, of which, at least 14 will be affordable homes. Total funds of £2.334m have been spent in 2019/20. The underspend of £199k in 2019/20 is to be re-profiled to 2020/21.
42. The Lowfield housing site has an outturn position of £2.538m in 2019/20. This site will include 140 mixed tenure homes of which 56 will be affordable homes. The contractor has been on site since December 2019 and is progressing well with significant progress on infrastructure work along with substructures of the first 34 homes which are due to be complete in early 2021. The underspend of £462k is to be re-profiled to 2020/21.
43. The design of the Burnholme site to RIBA stage 2 has been completed with all the houses to Passivhaus standard and zero carbon use. Design to RIBA stage 3 will continue in the new financial year with a planning application being submitted around August 2020. The design entails 91 houses, of which 36 will be affordable homes, either social rent or shared ownership.
44. The Design work is progressing well at the Ordnance Lane & Hospital Fields Road site with four engagement events having guided the progress and direction of the scheme design, each were well attended and very well received by neighbours. The latest engagement event, due to the Covid19 safety concerns, was held in an 'online gathering' format, and focussed on intergenerational living, working and volunteering. The wide range of speakers and participants present at the event helped to inform the design and approach of the 'New

Ordinance Lane' street area which will have a specific focus on intergenerational living and building a strong, resilient community. It is anticipated that the detailed planning application for the site will be submitted in September 2020 for around 110 homes, of which, 44 will be affordable homes.

45. The local authority homes new build project is for the first 8 sites in the Housing Delivery project. As sites complete the design and pre-planning stages, budget will be allocated to each scheme from this budget. The underspend of £200k will therefore be re-profiled to 2020/21.
46. The major repairs & modernisation of local authority homes programme has total capital expenditure of £7.842m in 2019/20. This has resulted in works during the year on major damp issues, replacement kitchens, bathrooms and roofs and upgrading of external door entry systems to flats, asbestos removals and installation programmes. Additional contributions of £124k came from leaseholder income of £122k and £2k right to buy receipts. An underspend of £1.943m has been re-profiled to 2020/21.
47. Throughout 2019/20 existing contractors have been used to resolve major standing water problems in 34 households and minor works in 239 properties. A further 43 properties with significant standing water issues are expected to be completed in 2020/21.
48. Four contractors are now assisting the building services team to complete void properties with a total of 125 properties requiring major works in 2019/20, of which 28 properties had standing water issues.
49. The £1m July budget amendment allocated for decent homes has been utilised to bring a proportion of the voids up to a decent homes standard as many of these properties had been declined works by their previous tenants and were in a poor state of repair. In addition 37 new kitchens have been fitted in 2019/20 using the early kitchen failure budget and 24 new bathrooms have been installed from the early bathroom failure budget. These are where the kitchen or bathroom needed replacing earlier than programmed due to being beyond repair or due to damp in the property.
50. During 2019/20 work was completed within the energy efficiency improvements to local authority homes scheme in conjunction with the West Yorkshire Combined Authority to complete the initial design for a

pilot project to significantly improve the energy efficiency of 60 council homes. Total capital funds of £1.168m were spent in 20/20. A business case to proceed with the pilot will be taken to Executive for member approval during 2020/21.

51. The disabled facilities grant programme is for adaptations to allow private residents to stay in their own homes for longer. The Council continues to support more people to remain safe and independent in their own home. Capital expenditure totalled £1.874m in 2019/20. The falls prevention team continues to receive excellent feedback from residents who are at fear of falling. With 3 falls prevention practitioners the service has expanded in to six wards as well as receiving referrals from identified partners. The team has been working alongside the handyman service and other voluntary partners with the aim of ensuring that as many people remain safe in their homes.

Economy & Place – Transport, Highways & Environment

52. Capital expenditure on various schemes within Transport, Highways & Environment totalled £18.652m in 2019/20.
53. Within the highway schemes capital expenditure of £5.504m included resurfacing works completed across the city including:
 - Resurfacing - 10.78km (82,869sq.m)
 - Surface Dressing – 6.3 km (48,380sq.m)
 - Micro surfacing – 1.85km (9,672sq.m)
 - Lines refreshed as part of scheme works – 43.03km
 - Gully covers replaced as part of c/way works – 237
 - Manholes replaced as part of c/way works – 143
 - Gullies cleaned as part of c/way works – 781
 - Drainage repairs as part of c/way works – 53m
 - Total footways reconstructed / resurfaced / repaved 9,332 m²
54. This equates to a total area 140,876 m² of the maintenance carriageways resurfaced and 9,332 m² of footway schemes, including the York stone renewal in Stonegate
55. A scheme for Tadcaster Road was identified for the Department for Transport (DfT) Challenge fund. The bid had to include a contribution of £500k from the council and this was kept available within the 19/20 budget. The successful outcome of the bid has only recently been announced so this funding was unspent in 19/20. There were also a

number of schemes due to be delivered in the last quarter of the financial year which were delayed due to flooding. As a result, funds of £1.213m have been re-profiled into future years.

56. Ward Committee schemes will continue to be delivered in future years as scheme ideas are identified and subsequently planned and completed, therefore remaining funds of £1.627m have been re-profiled into future years.
57. Within the street lighting scheme, 435 lantern heads have been replaced with new energy efficient LED lanterns and 624 columns have been replaced during 2019/20.
58. The Better Bus Fund has seen an improvement scheme at the Haxby Road/ Wigginton Road junction, including new traffic signals and resurfacing, to improve bus priority at the junction.
59. The local transport plan has a capital outturn position of £2.570m in 2019/20. There has been the upgrade of traffic signals at 8 locations in 19/20, which has included improvements to footways and carriageway resurfacing where required. Installation of car park counting technology at Piccadilly, St George's Field, and Union Terrace car parks; Refurbishment of variable message signs in car parks to display the number of spaces available and refurbishment of seven 'freetext' variable message signs around the city centre.
60. A new off-road cycle route linking Knapton to existing surfaced path along Moor Lane to Rufforth, via Northfield Lane and the A1237 underpass, which means pedestrians and cyclists no longer need to use the at-grade crossing of the A1237.
61. 31 CCTV cameras were replaced under the CCTV asset renewal scheme, along with the upgrade of back-office systems to meet current legislative requirements for storage of footage and General Data Protection Regulations (GDPR).
62. The electric bus scheme has a capital outturn position of £3.014m. Charging infrastructure (new sub-station and charging points) has been installed at the First York depot for the new fleet of 21 electric buses for the Park & Ride fleet. Work to manufacture the new buses was progressing well during 2019/20, but the factory has now been shut down due to the lockdown measures. The new buses will be completed once the factory is in operation again.

63. The successful bid for European Regional Development Fund grant funding within the hyper hubs scheme meant that the scope of the project had to be revised before applying for planning permission and carrying out procurement. Funds of £606k have therefore been re-profiled into future years.
64. A number of schemes have progressed within the city walls scheme and will continue in 20/21 including
- Bootham to Robin Hood's Tower: towards completion of repair scheme to RIBA stage four (finalisation required)
 - Tower Two structural and archaeological investigations and repair scheme to RIBA stage three
 - Lendal Arch structural and archaeological investigations and repair scheme to RIBA stage four
 - Towers 35 to 36 archaeological and structural investigations and instigation of monitoring programme
65. Within the flood defences scheme funding agreements have been formulated and signed by all parties for the transfer of the capital funds to support the Environment Agency led scheme at Clementhorpe. The planning application for the scheme has been delayed amid significant public pressure, this leaves some uncertainty in the viability of the scheme. Funds will be released following successful planning permissions, determination of the application is expected in early 2020/21. Funds of £317k have therefore been re-profiled into future years.
66. A wider holistic flood scheme is in development to deliver protection to Fordlands Road, at risk housing and further protection to the A19. Consultants are working on an appraisal and options and a programme is being developed to widen the scope of this project and identify wider funding sources to fund the potential interventions. Funds of £486k have therefore been transferred into future years.
67. The Council is currently working with the Environment Agency across all flood schemes to identify opportunities for the funding to be used to target wider improvements. Likely links to the Fordlands/Germany Beck scheme are being considered. Funds of £500k within the flood schemes contribution scheme have therefore been transferred into future years.

68. Progress on the station frontage scheme has been delayed until a planning application has been submitted and approved, therefore funds of £867k have been re-profiled into future years.

Economy & Place – Regeneration & Asset Management

69. Capital expenditure on various schemes within Regeneration & Asset Management totalled £11.707m in 2019/20.
70. The regeneration of the Castle Gateway has made significant progress in 2019/20 with capital expenditure totalling £1.064m. Full planning applications were submitted for the phase one sites in autumn 2019, and in January 2020 the Executive approved the business case and delivery strategy for the first phase. The principle is that the council will act as developer for this phase with the short term capital investment being repaid by the sale of the completed apartments and long term revenue from the commercial spaces. In April 2020 the council were about to commence the procurement of a contractor to undertake the detailed design of the first phase and provide a fixed price for the construction phase. However, as part of the council's response to the COVID_19 pandemic all major procurements are on hold in the short term, and officers are considering a number of options to mitigate the impact on project timescales and how best to proceed. There has also been a delay to the planning process, and it is expected that the applications will now be considered in June 2020. It is still hoped that, subject to the project remaining viable, start on site for phase one will be in early 2021
71. Delivery of the Guildhall project was approved by Executive in February 2019 with Full Council confirming the budget at their March 2019 meeting.
72. The project will deliver a comprehensively refurbished and renewed Guildhall complex to provide a contemporary business venue for the City, the works include a green energy solution and dramatically improved facilities for community, civic and council use, with a riverside restaurant unit alongside.
73. Capital expenditure on the Guildhall project totalled £3.525m in 2019/20. The construction phase of the project commenced on 16 Sept 2019. Progress has been strong although a number of issues have arisen in relation to identified risks. The critical underpinning to the north annex tower proved both technically challenging and

complex to resolve with multiple ground obstructions encountered. This vital work to stabilise the tower was successfully completed in March. High river levels in Dec 19 and in January 20 delayed first the site crane erection and subsequently the removal of excavation spoil from site. These factors have resulted in some contract delay and additional costs, however, contract contingency provisions were made in recognition of these risks and as at March 2020 the project remained within budget.

74. Since the year end despite the extensive pre construction investigations and evaluations, archaeological discoveries have resulted in further delay. However, as of 22 June the archaeological evaluation works have been completed and construction work re-started in that area. There have also been some additional challenges arising from restrictions put on the site as a result of Covid 19.
75. These additional delays have meant that it is presently considered that these additional costs cannot be contained within the agreed contingency. The project team are working to evaluate options for value engineering and cost saving. There is also a need to recognise that project continues for a further week with inherent risks. These will be reviewed and the result of these measures will be reported to Members in a future capital monitoring report
76. Capital expenditure on the commercial acquisition scheme totalled £4.512m in 2019/20. On 30th August 2018 Executive approved £1.924m for the purchase of the leasehold of Union Terrace Centre and the freehold of Robinson Court from York Housing Association. Both properties are hostels run by the Cyrenians Ltd (Changing Lives) who provide accommodation for the homeless, e-offenders and individuals with substance misuse or mental health problems. Following lengthy negotiations the properties were purchased in January 2020. The overall purchase cost was £1.716m, leaving £208k to carry out further property improvements.
77. On 28th November 201 Executive also approved £2.85m for the purchase of 25-27 Coney Street. This was completed in December 2019 for £2.796m
78. The asset maintenance budget is used for the upkeep of council properties. During 2019/20 this was used to carry out roof repairs at Explore central library, new air conditioning at Swinegate and the fitting out of Winterscale House to allow York Learning to move out of

Rougier House. Design work has also started at Acomb and Strensall libraries, replacing fire alarms at Swinegate and The Shambles, roof repair at Little Shambles and general repairs at Blossom Street

Customer and Corporate Services

79. Capital expenditure on various schemes within Customer and Corporate Services totalled £844k in 2019/20
80. Within the Mansion House scheme, the final payment to the main contractor has been made during the year, resulting in expenditure of £214k. The balance of £46k needs to be re-profiled into 2020/21 to enable several smaller final supplier payments to be made.
81. Phase 1 of the works at the registry office, have been completed within the original timescale and budget. The final retention is payable in May 2020. A further capital project for phase 2 of the refurbishment is due to start later in 2020.
82. The replacement of the Council's two cremators at the crematorium has largely been completed by the end of March 2020, resulting in expenditure of £584k. Both cremators are now fully operational. There is some final work to complete to make good the works, but these were put on hold at the end of March following the Covid-19 outbreak. A request to slip the remaining budget of £152k is made at outturn to cover these final works.
83. Asbestos removal works were carried out at three sites during the year, resulting in expenditure of £35k. As reported at monitor 3, a project at Rowntree Park Lodge has been deferred awaiting further consultation; therefore a request for the majority of the budget to be slipped into 20/12 is made at this time. The balance of the budget needs to be re-profiled into 2020/21 for future schemes.
84. Following the tendering process a contract has now been awarded for the work to expand the PV panelling at Hazel Court. The work is now planned for 2020/21, meaning that a further £131k will need to be re-profiled.

Customer and Corporate Services - IT

85. The ICT development plan has a total outturn position of £3.880m in 2019/20. This expenditure has seen significant achievements made on individual schemes as follows:

- implemented the necessary in year ICT responses to the Covid 19 pandemic ensuring staff, members and the residents of York were provided with their essential “business as usual” and evolving technology needs and ICT services including, but not limited to, home working by default and access to new or enhanced collaboration platforms as the situation developed. This included:
 - deployed Skype audio visual capability to all staff and members
 - set up and deployed a full Skype Enterprise telephony solution to remove the necessity for desk phones (available to 90% of staff)
 - identified, procured, set up and deployed additional mobile devices (laptops and mobiles) in priority order as advised by silver to enable high levels of remote working by staff
 - increased bandwidth provision to ensure sufficient internet service capacity and resilience
 - deployed a limited Zoom service for members and officers to enable remote council meetings
- replaced our aged firewalls with a future proofed and more robust Cisco next generation firewall estate that will provide much superior e-protection services underpinning the councils BAU services and its future Digital Service aspirations.
- migrated all customers to the new Citrix farm providing access to a more up to date desktop and Microsoft office experience and combined with the replacement or upgrade of our thin clients we have enabled a much faster and effective logon experience.
- renewed our corporate anti virus/security solution
- replaced our aging Smartphone device estate as part of continuing refresh policy to support agile working and also to improve the security of our mobile devices.
- worked with colleagues to identify and procure new Parking and Waste systems
- working with North Yorkshire County Council to implement their new Health and Safety system across City of York Council.
- upgraded all staff and public PC's at Explore and library locations to Windows 10 as part of a hardware upgrade project
- currently rolling out Wifi services to the Stadium and Coppergate

- delivered 1Gb superfast broadband connectivity to businesses on the Shambles as part of our work to support York's SME community.
 - upgraded all Public access PC's to Windows 10
 - upgraded the CYC ICT estate to Office 2016
 - implemented new domain management software
 - Implemented a new network security systems to scan all Council devices for weaknesses exposed from outside the network
86. Total funds of £602k require re-profiling into 2020/21 in relation to the IT Development Plan overall. This is to allow the delivery of planned corporate projects that have been deferred in terms of commencement until the 2020/21 financial year.

Community Stadium

87. The community stadium capital scheme has an outturn position of £8.285m in 2019/20. The construction of the York Stadium leisure complex is practically complete but final items have in the recent weeks been effected by COVID-19, like so many other constructions sites and wider businesses. The York Community Leisure Complex does though remain a live building site, albeit with a reduced workforce. All staff present on site are following social distancing rules, along with enhanced cleaning regimes including hand washing, in accordance with government guidelines.
88. The construction is almost complete, but there remains a small number of self-employed trades people still working (mostly on the external works) to progress the final stages of minor works, known in the industry as 'snagging'. This will continue for as long it is government guidance to do so. All certification and testing will only recommence once Government allows the gathering of people to resume, but only at that point. When all contractors and partners are able to return safely to the site to fully complete the works, they will. Only at that point can the Stadium look to hold test events required and open thereafter.

Funding the 2019/20 Capital Programme

89. The 2019/20 capital programme of £85.707m has been funded from £32.503m external funding and £53.204m of internal funding. The internal funding includes resources such as revenue contributions, Supported Capital Expenditure, capital receipts and reserves.

90. The overall funding position continues to be closely monitored to ensure the overall capital programme remains affordable and is sustainable over the 5 year approved duration.

Update on the 2020/21 – 2024/25 Capital Programme

91. As a result of this report amendments have been made to future year's capital programmes as a result of re-profiling schemes from 2019/20 to future years as set out above.
92. The restated capital programme for 2020/21 to 2024/25 split by portfolio is shown in table 3. The individual scheme level profiles can be seen in Annex 1.

		2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budget
		£m	£m	£m	£m	£m	£m
CEC	Children's, Education & Communities	28.016	10.500	2.000	-	-	40.516
HH & ASC	Adult Social Care & Adult Services Commissioning	3.562	0.716	0.638	0.660	0.682	6.258
HH & ASC	Housing & Community Safety	58.409	51.489	40.007	36.790	10.716	197.411
E&P	Transport, Highways & Environment	52.184	32.692	36.792	27.385	9.536	158.589
E&P	Regeneration & Asset Management	44.358	81.114	52.220	1.100	1.100	179.892
CCS	Community Stadium	1.865	-	-	-	-	1.865
CCS	Customer & Corporate Services	2.797	0.250	0.200	0.200	0.200	3.647
CCS	IT	2.857	2.320	2.420	2.420	2.420	12.437
	Total	194.048	179.081	134.277	68.555	24.654	600.615

Table 3 – Restated Capital Programme 2020/21 to 2024/25

93. Table 4 shows the projected call on Council resources going forward.

	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total £m
Gross Capital Programme	194.048	179.081	134.277	68.555	24.654	600.615
Funded by:						
External Funding	49.099	98.667	69.601	22.536	5.300	245.203
Council Controlled Resources	144.949	80.414	64.676	46.019	19.354	355.412
Total Funding	19.048	179.081	134.277	68.555	24.654	600.615

Table 4 – 2020/21 –2024/25 Capital Programme Financing

94. The Council controlled figure is comprised of a number of resources that the Council has ultimate control over. These include Right to Buy receipts, revenue contributions, supported (government awarded) borrowing, prudential (Council funded) borrowing, reserves (including Venture Fund) and capital receipts.

95. In financing the overall capital programme the s151 officer will use the optimum mix of funding sources available to achieve the best financial position for the Council. Therefore an option for any new capital receipts would be to use these to replace assumed borrowing, thereby reducing the Councils' borrowing levels and associated revenue costs.

Consultation

96. Not applicable

Options

97. Not applicable

Council Plan

98. The information contained in this report demonstrates progress in achieving the priorities set out in the Council Plan.

Implications

99. This report has the following implications:

- **Financial** - are contained throughout the main body of the report
- **Human Resources (HR)** – There are no HR implications as a result of this report
- **One Planet Council/ Equalities** – The capital programme seeks to address key equalities issues that affect the Council and the public. Schemes that address equalities include the Disabilities Support Grant, the Schools Access Initiative, the Community Equipment Loans Store (CELS) and the Disabilities Discrimination Act (DDA) Access Improvements. All individual schemes will be subject to Equalities Impact Assessments
- **Legal Implications** - Whilst this report itself does not have any legal implications, the schemes within the capital programme will themselves will be in receipt of legal advice where necessary
- **Crime and Disorder** - There are no crime and disorder implications as a result of this report.
- **Information Technology** – The information technology implications are contained within the main body of the report,
- **Property** - The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from capital receipts.
- **Other** – There are no other implications

Risk Management

100. There are a number of risks inherent in the delivery of a large scale capital programme. To mitigate against these risks the capital programme is regularly monitored as part of the corporate monitoring process, and the project management framework. This is supplemented by internal and external audit reviews of major projects.

Contact Details

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Wards Affected: All			
For further information please contact the authors of the report			

Specialist Implications:
Legal – Not Applicable
Property – Not Applicable
Information Technology – Not Applicable

Annexes

Annex A – Capital Programme by year 2019/20 – 2024/25