

<b>Meeting:</b>	Executive
<b>Meeting date:</b>	14 November 2024
<b>Report of:</b>	Debbie Mitchell Director of Finance
<b>Portfolio of:</b>	Cllr Katie Lomas - Executive Member for Finance, Performance, Major Projects, Human Rights, Equalities and Inclusion

## **Decision Report: Capital Programme – Monitor 2 2024/25**

### **Subject of Report**

1. The purpose of this report is to set out the projected outturn position for 2024/25 including any under/overspends and adjustments, along with requests to re-profile budgets to/from current and future years.
2. The Capital Monitor report is one of a number of reports taken to Executive on a regular basis to provide details of expenditure and how that impacts the financial standing of the council.

### **Benefits and Challenges**

3. The capital programme is key in delivering the Council Plan. Members are able to prioritise capital expenditure to deliver improvements across all service areas notably Schools, Housing, Transport and Regeneration as well as supporting Climate Change ambitions.
4. The programme does involve significant levels of council borrowing which impacts the level of revenue expenditure. The cost of delivering the capital programme is therefore dependent on levels of external funding, inflation levels and interests rates.

## **Policy Basis for Decision**

5. The Capital Budget is set as part of the Council's budget setting in February 2024. The capital programme is set alongside decisions to deliver a balanced revenue position.

## **Financial Strategy Implications**

6. The Finance and Performance Monitor 2 report elsewhere on this agenda again outlines the council's financial position. The identification of slippage particularly in relation to Council funding will reduce council borrowing costs and support the annual revenue expenditure.

## **Recommendation and Reasons**

7. Executive is asked to:
  - Recommend to Full Council the adjustments resulting in a decrease in the 2024/25 budget of £10.384m as detailed in the report.
  - Note the 2024/25 revised budget of £123.770m as set out in paragraph 10 and Table 1
  - Note the restated capital programme for 2024/25 – 2028/29 as set out in Annex 1.

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

## **Background**

8. The 2024/25 capital programme was approved by Council on 22 February 2024 and updated for amendments reported to Executive in the 2023/24 outturn report, which resulted in an approved capital budget for 2024/25 of £215.874m.
9. At Monitor 1 report (September 12<sup>th</sup>, 2024) there was a decrease of £81.72m resulting in a revised capital programme of £134.154m.
10. A decrease of £10.384m is detailed in this monitor resulting in a revised capital programme for 2024/25 of £123.770m. There is an increase of £0.500m due to additional funding being awarded / approved and a re-

profiling of budgets to future years totalling £10.884m. This is mainly due to a review of the phasing of the capital programme across the School's capital programme and Transport and Drainage schemes to reflect latest programmes.

11. The report does highlight particular financial pressures across the Major Transport Schemes which have arisen due to delay and high levels of inflation that have arisen particularly following the pandemic and war in Ukraine. These projects (particularly York Outer Ring Road and Station Gateway) are being reviewed and options will be provided to Executive as to scope and timeframe of scheme delivery in the coming months.
12. Table 1 outlines the variances reported against each Directorate area and a summary of the key exceptions and implications on the capital programme are highlighted in the paragraphs that follow.

Department	Current Approved Budget £m	Projected Outturn £m	Adjustment £m	Reprofile £m	Total Variance £m	Paragraph Ref
Children's services	17.140	14.578	<b>0.500</b>	<b>(3.062)</b>	<b>(2.562)</b>	18 – 29
Adult Social Care	0.959	0.959	-	-	-	30 – 33
Housing Services	45.355	44.861	-	<b>(0.494)</b>	<b>(0.494)</b>	34 – 49
Communities (Incl. Climate Change)	6.745	6.745	-	-	-	50 – 59
Transport, Environment & Planning	54.069	46.941	-	<b>(7.128)</b>	<b>(7.128)</b>	60 – 92
City Development	2.090	2.090	-	-	-	93 – 98
Property Services	3.327	3.127	-	<b>(0.200)</b>	<b>(0.200)</b>	99 – 100
ICT	2.923	2.923	-	-	-	101 – 102
Corporate Services	1.546	1.546	-	-	-	-
<b>Total</b>	<b>134.154</b>	<b>123.770</b>	<b>0.500</b>	<b>(10.884)</b>	<b>(10.384)</b>	

**Table 1 Capital Programme Monitor 2 2024/25**

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

<b>Gross Capital Programme</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>Total £m</b>
Children's services	14.578	8.923	1.031	-	-	24.532
Adult Social Care	0.959	0.705	0.728	0.752	0.776	3.920
Housing Services	44.861	28.584	15.301	14.638	14.350	117.734
Communities (Incl. Climate Change)	6.745	0.250	-	-	-	6.995
Transport & Environment	46.941	52.055	40.203	38.733	25.798	203.730
City Development	2.090	26.795	10.274	3.866	1.454	44.479
Property Services	3.127	0.475	0.275	0.275	0.275	4.427
ICT	2.923	3.170	2.820	2.820	2.820	14.553
Corporate Services	1.546	0.370	0.369	0.200	0.200	2.685
<b>Revised Programme</b>	<b>123.770</b>	<b>121.327</b>	<b>71.001</b>	<b>61.284</b>	<b>45.673</b>	<b>423.055</b>

**Table 2 Revised 5 Year Capital Programme**

**Funding the 2024/25 – 2028/29 Capital Programme**

14. The revised 2024/25 to 2028/29 capital programme of £423.055m is funded from £160.677m of external funding and £262.378m of internal funding. Table 3 shows the projected call on resources going forward.

	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>Total £m</b>
<b>Gross Capital Programme</b>	<b>123.770</b>	<b>121.327</b>	<b>71.001</b>	<b>61.284</b>	<b>45.673</b>	<b>423.055</b>
Funded by:						
External Funding	53.805	39.866	32.127	26.058	8.821	<b>160.677</b>
Council Controlled Resources	69.965	81.461	38.874	35.226	36.852	<b>262.378</b>
<b>Total Funding</b>	<b>123.770</b>	<b>121.327</b>	<b>71.001</b>	<b>61.284</b>	<b>45.673</b>	<b>423.055</b>

**Table 3 – 2024/25 to 2028/29 Capital Programme Financing**

15. 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.
16. In financing the overall capital programme, the Director of Finance 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 Analysis**

17. The capital programme was developed under the capital budget process and agreed by Council on 22 February 2024. 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.

## **Options Analysis and Evidential Basis**

### **Children and Education Services**

18. The total approved budget within the Children's Services and Education Capital Programme for 2024/25 is £17.140m.
19. There are a small number of adjustments to report at this monitor, plus an update on the maintenance schemes being carried out in maintained schools in 2024/25.
20. A number of amendments to the St Oswald's Primary expansion scheme are proposed. This scheme was added to the Childrens Capital programme in 2023/24. At that point an outline budget of £1.4m was set for the scheme. Following further examination and an understanding of the need to deliver a scheme that accommodates a larger school population on site, it has become clear that a more significant scheme is required. It is therefore proposed that the scheme budget be increased to £2m, the increase to be funded by adding further identified Section 106 contributions for developments that have been agreed in the catchment area of the school that will impact intake of pupils in the future. The

existing scheme in the programme is funded from Basic Need, however a total amount of £1.1m of Section 106 has been identified which is available to fund the expansion. Amending the scheme to reflect this will result in a £2m scheme funded by £900k of Basic Need and £1.1m of Section 106.

21. The Basic Need no longer required can be transferred back to the unallocated Basic Need scheme. However, as not all of the Section 106 referred to has been received and some may not be available by the time the scheme progresses, a further amount of additional unallocated Basic Need equal to the unbanked contributions will be earmarked to fund in lieu of the outstanding contributions if required. At this point £550k is held with a further £300k expected shortly, thus an amount of £250k of Basic Need will need to be held for this purpose.
22. The main project works are now expected to begin in March 2025 therefore the work will mainly occur in the 2025/26 financial year. An amount of £800k of the 2024/25 budget is proposed to be reprofiled into 2025/26 to reflect this.
23. The result of the above change takes the amount of unallocated Basic Need in 2024/25 to £1,067k. As no further major schemes requiring Basic Need funding are expected to begin in this financial year it is proposed that an amount of £700k is re-profiled into 2025/26 at this monitor.
24. The Huntington School science lab replacement scheme, funded from Basic Need, is due for completion in early October 2024. The second phase of the reorganisation and security work at Clifton Green Primary is now complete.
25. The major scheme for expansion at Hob Moor Oaks Academy Special School has now been split into two phases, planned to take place over the summers of 2024 and 2025. The budget for Phase 2 (estimated at £500k) therefore requires reprofiling into 2025/26.
26. A number of schemes have been carried out or are in progress at maintained schools, funded within the Maintenance programme.
27. Projects that have been completed over the summer are a major kitchen refurbishment at Wigginton Primary school, the first phase of mains pipework replacement at Westfield Primary, the third phase of roof work at Headlands Primary and a window replacement scheme at Elvington Primary.

28. A major rewire and pipework replacement scheme is in progress at Ralph Butterfield Primary and is due to be completed by the end of September 2024. A kitchen refurbishment and roof works at Yearsley Grove Primary are also due for completion by this date.
29. As reported above, the maintenance schemes for 2024/25 are now substantially complete and planning is underway for the 2025/26 programme of urgent maintenance. An underspend is predicted to the overall programme with the final position available later in the financial year. At this point it is proposed to re-profile a total of £1,062k into 2024/25 across all the maintenance schemes, including the budgets for school building and M&E works to be included in the budget for 2025/26 schemes.

### **Adult Social Care**

#### **Telecare Equipment (£275k)**

30. Sensors and other telecare equipment are installed in vulnerable customers' homes to deal with specific assessed risks. The sensors are linked to our Community Alarm system and trigger alerts automatically ensuring speedy response from the response service. The equipment provides customers with 24 hour monitoring of their circumstances, which can help to keep them in their own homes and communities, improving their wellbeing and avoiding / reducing the need for formal care packages.

#### **Major Items of Disability Equipment (£157k)**

31. This budget funds equipment for vulnerable individuals, including ceiling track hoists, stair climbers, specialist beds, etc. The supply of equipment is an essential component of prevention, enabling people to continue to live safely in their own homes rather than moving to residential care. It also contributes to successful community reablement and is a key component of hospital discharge packages.

#### **Disabled Facilities Grant (£261k)**

32. CYC provides equipment to vulnerable individuals which enables them to remain in their own homes and communities. DFGs are mandatory grants, but the maximum grant offered does not always cover the cost of adaptations. This budget can be used to top up the grant funding. It also enables the council to look at relocation packages where it is more reasonable and practicable to adapt another property.

33. It is currently anticipated that all these budgets will be fully spent in the financial year.

### **Housing Services**

#### Disabled Facilities (£2,076k)

34. This budget is used to undertake adaptations to privately owned properties in order to help owner occupiers and tenants living in the properties to be able to live independently within the property in the future. The budget is financed through monies allocated from the Better Care Fund and CYC's budget.
35. It is currently predicted that the 2024/2025 budget will be fully spent.

#### CYC Adaptations Budget (£701k)

36. This budget is used to undertake adaptations to Council properties in order to help council tenants living in the properties to live independently within the property in the future. The budget is financed through monies allocated from the HRA budget. A range of adaptations are undertaken, ranging from minor adaptations such as the installation of handrails, steps and other equipment, to more major adaptations such as stairlifts, through floor lifts, level access showers (wet rooms) etc.
37. Expenditure for the current year is behind where we would normally expect to be, due to delays with procurement for contractors to carry out the major adaptation works. However, works started again in September and it is anticipated that there will be full spend this year.

#### Major Repairs (£11,280k)

38. Contractual issues have slowed progress in Planned investment so far this year. It proved necessary to terminate one of the council's contractors due to poor performance and this has left multiple workstreams without the desired progress. It has been necessary to rely on a single contractor to deliver Home Modernisation, Voids, Damp and Retrofit. Plans have been put in place to move the Damp element but at present, Building Maintenance services have struggled to meet the required level of progress and maintain a consistent high standard whilst working in Voids, Home Modernisation and Damp with the retrofit strand yet to commence. SHDF wave 2 phase 1 is still ongoing as we try to get works completed and lodged without the Principal Contractor in place.



39. In terms of delivery and projection towards year end
- Damp - 15 completed with a max of another 80 completed (provisionally moved £500k to fire due to the likely underspend). This is due to the contract not commencing yet and a requirement of the use of decants on many properties due to extent of works and home modernisation also being overdue.
  - Roofs - 4 completed and 24 to be delivered this calendar year.
  - Early kitchen and bathroom replacements- demand higher than what was anticipated so funds will be moved into this area as the year goes on.
  - Voids - 30 completed to date with the lowest number of voids in planned investment since 2022. Plans are in place to reduce this further with target of reducing rent loss by 75% on capital voids by year end.
  - Fire remedial has commenced since this reporting period and will easily complete in year. Provisionally moved £500k towards this budget due to number of outstanding FRA actions.
  - Windows - 86 properties delivered to date with 118 to be completed in total before the winter period.
  - 112 blocks/properties receiving external repairs.

### Housing Delivery

40. On 8th August 2024 the Council entered into a construction contract with Equans to deliver the refurbishment and retrofit works at Bell Farm. This is a significant milestone for the project and the project started on site in September 2024.
41. Ordnance Lane has received planning permission for the updated 100% affordable housing design on 1st August 2024. It is expected that the main works tender for a Principal Contractor will be issued to the market in September. Meanwhile onsite, the enabling works with contractor Rhodar have commenced and the bus depot has been demolished. This work utilises the OPE Brownfield grant funding and the contract is expected to complete in late 2024. An engagement event was held on the site with over 40 local residents attending and overwhelmingly positive feedback received.
42. Work continues to deliver 112 homes across Duncombe Barracks and Burnholme with Principal Contractor, Caddick Construction. On Duncombe Barracks the timber frame works have concluded and the properties are now weathertight with internal fit out commenced across

the site. The homes have all successfully achieved the airtightness test required to achieve Passivhaus standard which is a very important milestone for the project. Burnholme also continues to progress well with internal fitout ongoing across many terraces on the site. Work has begun to deliver the new public realm to the eastern boundary which will provide play equipment and the planting of many new trees. Handovers on both sites are anticipated from Spring 2025.

43. The first engagement event took place at Willow House in July to kickstart this new and exciting development and wider regeneration project. Local residents came to review the work undertaken so-far and had plenty of ideas about how the area could be changed. The RIBA 1 works will conclude in August and then there are several further events planned for September including the recruitment of a youth panel and a community panel too, to help inform the proposals.
44. Glen Lodge is making good onsite progress with contractor Hobson Porter. Strip out works are complete and work is underway to increase the accessibility of all ground floor flats by widening doorways and making certain flats open plan. Recent feedback from residents in the extension and bungalows has been extremely positive in relation to how quiet and considerate the contractor has been so far.
45. The Housing Delivery programme continue to deliver low-cost home ownership through two grant funded schemes; Homes England's Second-Hand Shared Ownership and YNY Devolution funded Second Hand Shared Ownership with retrofit. All 15 homes which form part of the Homes England project have now been acquired. Both projects are expected to complete by Autumn 2024. The Housing Delivery Team has also led on the acquisition and works of 10 homes utilising the Local Authority Housing Fund to meet the temporary accommodation needs within the city. All homes are now either acquired and occupied or under offer.

LA Homes Energy Efficiency / Social Housing Decarbonisation Fund  
(Ginnels Phases 1 and 2)

46. For this element of the SHDF programme, 95 properties are planned to have energy efficiency retrofit insulation works completed during 2024/25, which will complete the capital works programme. A further 40 are in the Bell Farm project, which is monitored separately.

47. SHDF wave 2 phase 1 has been impacted by the termination of the contractor referred above. The Project Manager is working with sub-contractors to progress the works.

#### Alex Lyon House and Honeysuckle House

48. These schemes are funded through York and North Yorkshire MCA Net Zero Fund.
49. Due to the delays in procuring a designer for the Air Source Heat Pump Projects at Honeysuckle and Alex Lyon House it is proving difficult to meet the deadlines of the year as per funding agreement. Officers are negotiating with the MCA to see if the date can be extended. The designer's initial findings may require a redesign of the scheme and more details will be provided in monitor 3.

#### **Communities (Incl. Climate Change)**

##### Future Libraries Investment Programme

50. The three library projects have been combined and are reported within a single FLIP (Future Libraries Investment Programme). The capital budget this year is £2,657k plus a Libraries Improvement Fund grant of £250k from the Department for Culture, Media & Sports (DCMS). The total budget for the scheme overall is £8,228k.
51. Construction works at the new Clifton Explore Library Learning Centre are now complete, fitout has been done and tenants are moving in during early September, in preparation for the library to open on Monday 23 September 2024.
52. Public consultation has taken place on the refurbishment of Acomb Library in early 2024 and the results fed into an external funding bid to Arts Council, under the Library Improvement Fund and the Council have been successful in achieving a grant of £250k towards the overall project budget. The development of a detailed feasibility is now currently on hold until the Future Library Programme budget can be consolidated to have a clear budget for Acomb. By the end of 2024, the Acomb project will be scoped and early in 2025 reported to Executive to sign off the final vision, business case and refurbishment plans.

### Energise Roof Works

53. Phase 1 of the works under Energise roof are complete which has eliminated the majority of problems that were occurring at the site. Greenwich Leisure Limited have commissioned a further roof inspection and report to address any final issues.

### Mansion House Repairs

54. The Mansion House Repairs scheme has an approved budget of £1,273k for 2024/25. Buttress Ltd have been appointed as specialist architects for the listed building. As principal architects they are designing specification for the refurbishment works. This will result in a construction tender in Q2 to enable a January 2025 start to the physical works with an expected completion date of September 2025. The budget will be re-profiled at M3 when we will have more information on the spending profile.

### Changing Places Toilets

55. £244k was awarded to provide two facilities, one at Oaken Grove, Haxby and the refurbishment of Silver Street in the city centre. All monies have now been received from the Department of Levelling Up. These schemes are now complete and fully handed over and operational.

### Crematorium Waiting Room

56. The scheme at the crematorium is currently being reviewed to ensure that works at the crematorium can be contained within the budget. The outcome of any such review will be reported to future monitoring reports.

### Register Office Phase Two

57. J Mark Construction has been appointed as the contractor to undertake the refurbishment of the toilets at the Register Office which should be completed in the next few months.

### Climate Change

58. The Climate Change programme has a budget of £1,727k for 2024/25, including £227k slippage from last year. £104k is required for potential match funding of the Harewood Whin scheme from the MCA's Net Zero Fund. £400k may be required for additional car parking at the Northern Forrest (assessment is to be made following the public site opening on 30th August 2024). £95k has been allocated for LED improvements at West Offices and Hazel Court scheduled to take place between July and December 2024. The rest is available as potential match funding for PSDS applications.

59. Key achievements include:

- Initiation of Net Zero Fund Projects, including:
  - i. Phase 2 feasibility of Solar PV at Elvington Lane and Onshore Wind at North Wigginton has commenced.
  - ii. Installation of LED improvements at Hazel court and West Offices is 90% complete.
  - iii. Installation of LED replacement of 985 streetlights is 50% complete.
  - iv. Designs completed for replacement heating system at Honeysuckle House and Alex Lyon House, resident engagement underway.
- Technical consultants appointed to support to delivery of the Local Investment in Natural Capital (LINC) pilot for York; aiming to increase the value of the city's green spaces.
- Recruitment underway for the regional Net Zero Accelerator (City Leap) project with North Yorkshire Council and the Combined Authority.
- Expression of interest submitted to the White Rose Forrest for £250k funding for phase 2 of the Green Streets tree planting.
- Solar for Schools installation expanded with 8 York schools now having panels fitted.
- Micro-woodland site selection completed with £85k funding for planting in Dec-March.

## **Transport, Environment & Planning**

### **Major Projects**

60. Following City of York's planning committee on Tuesday 19 March 2024, and referral to the Secretary of State, the **York Outer Ring Road** planning application was approved on 12th April 2024. Members will recognise that funding awards for the scheme were provided in the last decade and following very significant inflation in the construction sector the current planned scheme cannot be delivered within the current funding envelope. A review is currently being undertaken to review affordability, cost reviews and the business case. This will be the subject of a report back to Executive with options to progress in the coming months.

61. The **York Station Gateway** scheme continues to progress, with Package 1 (Utility Diversionary Works) completed in September 2023, and Package 2 (Highways Works) midway through construction with a completion date forecast for summer 2025.
62. The construction contract for the Package 3 (Station Works) is being tendered by LNER with works, subject to costs, expected to commence in 2025 with a programme of approximately two years.
63. A further highways Package 4 (Bus Loop Road Works) is currently expected to commence in spring 2025 together with the relocation of the station electrical substation with both these works packages expected to be completed later in 2025.
64. Meanwhile, any new multi-storey car park that is funded and delivered by Network Rail is programmed to commence delivery in autumn 2024 with an eighteen-month delivery programme.
65. Due to inflation and scheme slippage, there are financial pressures identified in completing the scheme in full. Officers are reviewing the scheme and options will be brought forward to Members in the coming months.
66. **Haxby Station** - A planning application was submitted for the new rail station and associated works in February 2024 and is still pending determination, expected by the end of the 2024. The announced full capital funding committed from the DfT and Treasury earlier in the year is now subject to a Governmental review, due to the project having been previously included within the DfT's 'Restoring Your Railways' programme, which has now been cancelled by the Chancellor, officers are therefore reviewing the business case.

## Transport

67. A number of schemes in the Transport Capital Programme have already been completed or will be progressed in the next few months, including the installation of new real-time screens at bus stops across the city through the Bus Service Improvement Plan (BSIP); the replacement of the footbridge on the Rufforth-Knapton Public Right of Way (following installation of a temporary bridge earlier this year); raising the level of the shared-use path between Butcher Terrace and the Millennium Bridge so it is more accessible during flood events, improving flood resilience of the active travel network; and measures to improve road safety across the city. The final payment to First York from the government's Zero Emission Bus Regional Areas (ZEBRA) grant for the conversion of the York bus fleet to all-electric buses has been made, which has funded the completion of works at the York depot to support the new bus fleet and delivering the one of the first Carbon Neutral Bus Depots in the UK.
68. The proposed Union Terrace Hyper Hub was approved at Planning Committee in August, and the next stage of design work can now be progressed to develop the scheme for implementation in future years. As a result, the forecast spend in 2024/25 has been reduced to £25k, with the remaining funding slipped to 2025/26.
69. Funding has been allocated for upgrades to electric vehicle charging points in Monk Bar and Bishopthorpe Road car parks, but the work at the Bishopthorpe Road car park has been delayed due to land ownership issues that need to be resolved. The forecast spend has been reduced to £25k to allow the Monk Bar car park works to be progressed in 2024/25.
70. In addition to the CYC funding allocated for the Traffic Signals Asset Renewal (TSAR) programme, the council was awarded grant funding from the government's Traffic Signal Obsolescence Grant (TSOG) and Green Light Fund (GLF) grant for upgrades to traffic signal equipment across the city. This work is being progressed separately to the main TSAR programme, and the £561k grant funding has been reprofiled across 2024/25 and 2025/26 to reflect the expected timescales for the upgrade works.

## Highway Schemes (including footways)

71. The Capital Highway Resurfacing Programme is nearing completion with just one scheme left to complete in Q2/Q3. The A1079 Hull Road scheme at Grimston Bar Roundabout eastern approach, began with drainage works which started late July (as soon as East Riding's work at Stamford Bridge was complete). The resurfacing work followed towards the end of September, and this should all be completed by the middle of October.
72. Several of the schemes that have been valued have come in under budget, which gives further scope to manage the costs of the more difficult schemes, as we progress through the later part of the programme at A1079 Grimston Bar.
73. The Surface Dressing schemes are now complete.
74. The Large Patching programme commenced in early July. The majority of the schemes were completed before the end of the summer holidays. The patching scheme at York Road Dunnington were delayed due to East Riding Council works at Stamford Bridge. The York Road Dunnington scheme will now be tied into the A1079 Hull Road at Grimston Bar Roundabout resurfacing scheme in October.
75. The Footway schemes at Holroyd Avenue, Giles Avenue and Lamplugh Crescent have been successfully delivered within budget. Wigginton Road started in early September, and the remaining schemes are programmed to be delivered within the financial year.

## Drainage

### Pre-Carriageway Schemes

76. Grimston Bar – New gullies have been installed opposite Bore Tree Baulk, Repairs to pipework have been made between the lights on York Road back to Bore Tree Baulk. Apron gullies around junction have been improved. Further work is planned to replace a pipe from the junction of York Road for around 50m away from York which should stop the manhole overflowing through winter.



### Minor Capital Schemes – Investigation and Repairs

77. Towthorpe Moor Lane - A Culvert has been replaced on Towthorpe Moor Lane and the ditch maintained which should reduce flooding on the road at the Strensall Road end.
78. Sledmere Crossing A166 – further drainage work is currently taking place at Sledmere Crossing trying to reduce the splashing of private property, this will also involve collaborative work with the IDB laying a new pipe to drain into.
79. There is upcoming work planned at Strensall Road, Thanet Road and Tower Street, Hull Road and Peckitt Street with a further 10 schemes yet to be permitted but aimed to complete before the end of the financial year.

### Sink Holes

80. A sink hole at Trafalgar Street has been investigated and repaired, another on Main Street Poppleton has been investigated and Yorkshire Water are going to repair.
81. Bewlay Street Sink Hole has been completed.

### Castle Mills Lock Gate

82. The EA Collaborative Delivery Framework (CDF) has been identified as an appropriate procurement model for the works. The scheme will be procured through this framework on a design and build basis working with BAM Nuttall Ltd. It is likely that the full scheme will be carried forward into the next financial year, although some spend on design and the procurement of the materials will need to be incurred in this financial year.
83. The updates costs for the scheme are likely to be in excess of the £1.1m budget but it is proposed to continue with the complex scheme and manage overspends across the Highways budgets over 2024/25 and 2025/26.

### Bridges

84. The bridge programme is in progress with the main focus being repairs to Bishopthorpe Bridge which should be completed this financial year. Works on Lendal Bridge have been identified and options for the delivery of these works are being developed.

## City Walls

85. This year's work will be focussing on monitoring and maintenance of the city walls, which is fundamentally required to inform of future years interventions and gauge the current risks to monuments.
86. Preventative maintenance works, including pointing, walkway repaving and stone replacement works will be concentrated on the area's most in need of repair, to avoid long term deterioration.
87. Investigations were undertaken into the stability of tower 31, Harlots Towers, a structural engineer's report highlighted a serious deformation to one wall leading to an internal beam which supports the walkway potentially becoming unsafe. Remedial temporary supports were installed while a medium-term fix is agreed with historic England, in the long term further works are likely needed to prevent further movements to the wall and prevent the walkway from collapsing.
88. As part of the Station Gateway project safety barriers have been installed into the crenels above station arches, these are to deter visitors from leaning out over the city walls to view the new road and bus stops lay out at the foot of the walls.
89. The City Walls team is also undertaking heritage conservation projects for alternative teams within the Council, and team members are being deployed to support other Highways services where required.

## Fleet

90. All purchases are in line with the council's Vehicle Management Policy. Although a large proportion of the capital budget has needed to be slipped into 2025/26 due to long lead times from point of order of 12 months or more, we are aiming to have 90%+ of the original budget committed to replacement fleet purchases.
91. It is proposed to slip a further £1,000k of fleet purchases into 2025/26 during at this time.

### Flood Alleviation

92. The York Flood Alleviation Scheme (FAS) is funded by the UK Government with the aim of reducing the risk of flooding to homes and businesses in York. Situated on low-lying land where the River Foss joins the River Ouse, the city of York has always been prone to flooding. In recent years, however, the onset of climate change along with changes upstream in the way land is managed have caused these floods to become more severe. Funding for delivery of flood alleviation works at Germany Beck is currently on hold due to the lack of resource to progress the scheme. The scheme received planning permission early in 2024 but the Flood Risk Manager Post has been vacant through the 2024/25 financial year to date, delivery will be commenced in 2025/26 once recruitment to the post has taken place. Full budget of £3,254k will be slipped into 25/26 alongside Flood Scheme contributions budget of £1,500k.

### City Development

93. The project funding position for York Central was reprofiled in Monitor 1 to reflect an updated funding agreement with project partners. The key change was that the £35m CYC contribution towards IP2 site infrastructure work has moved to later in the delivery programme, therefore CYC capital programme expenditure has been put back to 2025/26 onwards.
94. General progress on the project remains positive. The planning application for the Government Property Agency building was approved by Planning Committee in July 2024.
95. The delivery of the main **York Central highway infrastructure** by Homes England is progressing with the phase 1 delivering the alternative route around the National Railway Museum expected to be complete by end of 2024/early 2025 allowing the stopping up of Leeman Rd to be certified. The majority of the site preparation and drainage and utility diversion work is complete and road construction commenced. Landscaping and footway construction has commenced on the main site and is continuing on Station Rise on the city side of Leeman Rd tunnel. Phase 2 of the scheme to connect the road through to Water End is expected to be complete in mid 2026. Approximately 80% of the ground improvement works have been completed for the embankment between Water End and the Railway and ground improvement works have commenced on the opposite side of East Coast Main Line within the main site area. Piling for the new footbridge adjacent to the existing Water End road bridge is complete and foundation construction has commenced. Planning consent for the first office building on the development has been approved by the Planning Committee. The

main developer for the site, McLaren Property and Arlington Real Estate, has been appointed by Homes England and will be commencing work in the Museum Square area in early 2025. The initial phase of the NRM redevelopment has commenced with the re-roofing of Station Hall and preparatory works for the new Central Hall ongoing including the provision of a new substation.

96. Castle Gateway – In November 2023 Executive agreed the way forward to deliver some of the masterplan proposals, and work has now commenced to revise designs for the Castle / Eye of York and assess the potential for the delivery of Affordable Housing at Castle Mills. The strategic importance of St George's Field as a parking location was acknowledged and proposals for improving parking provision there, with coach drop off facilities, are being progressed. The proposals, including a business case, must be reported back to Executive for approval prior to delivery.
97. A key part of the revision to the Castle and Eye of York is going back out to public engagement. Due to the pre-election period for the General Election and the summer holidays, this has been delayed. The programme has also been updated following input from our design team on the stages of work required to inform the final design and secure planning. The programme, and therefore budget for delivery, has therefore needed to be re-phased taking it into the following financial years.
98. The total UKSPF 2024/25 budget remains at £3,248k, but there has been a minor adjustment of the final allocation reducing capital by £15k and increasing revenue by £15k. This adjustment is reflected in this monitor report.

### **Property Services**

99. Works on the LED replacement scheme at West Offices and Hazel Court are well underway and is anticipated to be completed this year. Design work on Swinegate's heating system are completed and works due to start imminently. Various works to CYC schools commissioned and completed over the summer. Works commissioned and underway for demolition of 14 New Road. Works scheduled to roofs and windows at Shambles have been tendered and are due to commence this financial year.

100. It is proposed that £200k of the £222k Asbestos Removal budget is slip to next year to align with the anticipated spend. Property surveys are being undertaken this year, but no areas of major expenditure are currently earmarked.

### **Corporate Services - IT**

101. The ICT capital programme has a budget of £2,803k for 2024/25 which includes £294k slippage from last year. At Monitor 2 there are plans to spend all the allocation during the year and a nil variance is reported.
102. Key purchases completed or in hand to date include:
- 300 laptops to enable and sustain hybrid working.
  - SNOW (software asset management) hosting, support and maintenance for 2 years from May 24
  - Elements of the infrastructure tech refresh programme
  - Canon Print contract extension.

## **Organisational Impact and Implications**

103. The report has the following implications:
- **Financial** - are contained throughout the main body of the report. Given the forecast financial position of the Council and the need to reduce expenditure, there will be a review of the capital programme. This review will need to identify ways in which capital expenditure can also be reduced.
  - **Human Resources (HR)** - There are no direct HR implications as a result of this report. Any variations to the capital programme that have staffing implications will follow appropriate consultation and HR policies and procedures.
  - **Legal** - Whilst this report itself does not have any further legal implications, the schemes within the capital programme themselves will be in receipt of legal advice where necessary.
  - **Procurement** – Whilst there are no direct procurement implications relating to the report itself, procurement will be a main tool used to deliver schemes in the capital programme. Any services or works required, will be procured in accordance with the Public Contract Regulations 2015, soon to be Procurement Act 2023 and the Council's Contract Procedure Rules. Further advice regarding the procurement process and development of procurement strategies must be sought from the Commercial Procurement team.

- **Health and Wellbeing**, reductions in spend in some areas could impact on the health and wellbeing of both our staff and residents. The impact of any reductions in the capital programme will be carefully monitored so that implications can be considered and mitigated where possible.
- **Environment and Climate action**, as this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct environment and climate action implications as a result of this report.
- **Affordability**, as this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct affordability implications as a result of this report.
- **Equalities and Human Rights** — as this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct equalities and human rights implications as a result of this report. All individual schemes will be subject to Impact Assessments in the usual way.
- **Data Protection and Privacy**, *As there is no personal data, special categories of personal data or criminal offence data being processed, there is no requirement to complete a data protection impact assessment (DPIA).*
- **Communications**, the information set out in this report does not have any specific communications implications. The finance and performance monitor report elsewhere on this agenda includes details of the communications activity in relation to the overall council finances.
- **Economy**, there are no direct implications related to the recommendations.

## Risks and Mitigations

104. 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.

## Wards Impacted

105. All wards are impacted by the issues detailed in the report.

## Contact details

For further information please contact the authors of this Decision Report.

### Author

<b>Name:</b>	Patrick Looker
<b>Job Title:</b>	Head of Service Finance
<b>Service Area:</b>	Financial Services
<b>Telephone:</b>	01904 551633
<b>Report approved:</b>	Yes
<b>Date:</b>	31/10/2024

### Background papers

- [Capital Budget Report Executive 25th January 2024](#) and Full Council 22 February 2024
- [Capital Programme Outturn 2023-24](#)– Executive 18 July 2024
- [Capital Programme Monitor 1](#)– Executive 12<sup>th</sup> September 2024

### Annexes

- Annex 1 – Capital Programme 2024/25 to 2028/29