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

7 July 2009

Report of the Director of City Strategy

**City Strategy Capital Programme – 2009/10 Consolidated
Budget Report**

Report Summary

1. The purpose of this report is to:
 - Consolidate the 2009/10 City Strategy Capital Programme to include the carryover schemes that were not completed in 2008/09;
 - Make adjustments to scheme allocations to align with latest cost estimates and delivery projections

Recommendations

2. The Executive Member is requested to:
 - i) Approve the carryover schemes and adjustments set out in Annexes 1 and 2.
 - ii) Approve the increase to the 2009/10 City Strategy capital budget, subject to the approval of the Executive.

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. The current approved budget of **£5,502k** was agreed by the Executive in March 2009, and includes £3,374k of Local Transport Plan (LTP) funding, plus other funding from the Cycling City grant, Road Safety grant, and developer contributions.
4. The transport base budget also includes £450k of funding from the £1,461k Regional Funding Allocation (RFA) top-up funding for 2009/10. This additional funding from the Regional Transport Board together with an anticipated £1,316k for 2010/11 has been made available to Local Authority LTP block allocations in the three year period from 2008/09 to

2010/11, due to the underspends in the Major Schemes block across the Region. A report on the use of the remaining RFA top-up funding will be taken to the 21 July Executive meeting, following an assessment of the two proposed options for use of the additional funding.

5. The full City Strategy Capital Programme also includes funding for City Walls Repairs and riverbank repairs along a section of Public Footpath Rawcliffe No.1.
6. Table 1 illustrates the current approved capital programme.

Table 1: Current Approved 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
Current Approved Capital Programme	5,742	5,502	240

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

Summary of Key Issues

7. The 2008/09 City Strategy Capital Programme contained a level of overprogramming of £966k at the consolidated report stage to give some flexibility to the programme should slippage in some schemes occur through the year. Following revisions to the programme at the Monitor 1 and Monitor 2 stages, the full programme agreed by the Executive Member at the Monitor 3 report in March was £8,602k, with a budget of £8,478k. There was therefore £124k of work outstanding that could not have been funded by the LTP in 2008/09.
8. For this reason, it was necessary when planning the 2009/10 programme in early 2009 to take account of schemes that were expected to slip from 2008/09.
9. As reported to the Executive Member in June, the outturn for the 2008/09 capital programme was £8,270k, an underspend of £208k against the budget. Of this underspend, £204k was slippage of council funded structural maintenance schemes, which could not be completed by the end of the year. There was an underspend of £21k against the developer contribution budget, which is held in a separate account for future use on the designated schemes. There was also an overspend of £16k against the grant funding section of the programme, resulting in the overall underspend figure of £208k.

10. 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 £m	2010/11 £m	Total £m	Paragraph Ref
Current Approved Capital Programme	5,742	4,770	10,512	
Adjustments:				
Cycling City (Transfer to Revenue)	-15		-15	Annex 1
City Walls (Overspend in 2008/09)	-16		-16	Annex 1
Carryover from 2008/09	75		75	Annex 1
Re-profiling:				
None				
Revised Capital Programme	5,786	4,770	10,556	

Scheme Specific Analysis

11. The key proposed changes included in this report are summarised below and are detailed in Annex 1.

- Increased allocation for the Fulford Road scheme, including additional Cycling City funding transferred from the Blossom Street scheme.
- Reduction of Cycling City Capital budget by £15k, which will be transferred to the revenue Cycling City programme.
- Addition of schemes that have been carried over from 2008/09, as work was not completed by the end of March 2009.
- Inclusion of full Safety Schemes and Schools Schemes programmes.
- Reduction of City Walls allocation, due to an overspend in 2008/09.

Consultation

12. The capital programme was developed under the Capital Resource Allocation model (CRAM) framework and agreed at Full Council 26 February 2009. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals do follow a consultation process with local councillors and residents in the locality of the individual schemes.

Corporate Priorities

13. 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.

14. The City Strategy Capital Programme supports the Sustainable City, Thriving City and Safer City elements of the new Corporate Strategy.
15. **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.
16. **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.
17. **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

18. 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

19. 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. All funding for the base budget of £5,742k has therefore been agreed and confirmed.
20. If the proposed changes are accepted, the total value of the City Strategy Capital Programme for 2009/10 would be **£7,045k** including overprogramming. The overprogramming would increase from £1,010k to **£1,259k** (compared to £966k at this stage in 2008/09). The budget would increase to **£5,786k**, and would be funded as follows:

	Current Budget £000s	Proposed Alteration £000s	Proposed Budget £000s
LTP Settlement	3,374		3,374
Regional Funding Allocation	450		450
Developer Contributions	500		500
Road Safety Grant	43		43
Cycling City Grant	1,135	-15	1,120
CYC Resources	240	59	299
Total	5,742	44	5,786

21. A report on the options for the use of the remaining Regional Funding Allocation will be presented to Members at the Executive meeting on 21 July.

Risk Management

22. 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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Report Approved Date 17-06-09

Report Approved tick Date

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

Annexes

Annex 1: 2009/10 Consolidated Report – Scheme Progress Report
Annex 2: Summary of Proposed Changes
Annex 3: Current and Proposed Budgets for 2009/10 Capital Programme