

**Customer and Corporate Services Scrutiny  
Management Committee**

**23 May 2022**

Report of the Corporate Director of Place

**Capital Programme Update**

**Summary**

1. Customer and Corporate Service Scrutiny Management Committee have requested a review of the Place Capital Programme.
2. The report and annexes provide the scope and range of the capital programme and progress.
3. The report annexes provide detail on the progress to date of the Major Projects, which are the high profile projects.
4. The report identifies specific areas where Scrutiny could add value in the future.

**Background**

5. The capital programme for the Place Directorate is made up of close to 100 budget lines of individual schemes that are agreed at annual budget or separate reports to Executive and approval Full Council where necessary.
6. Progress against the capital programme is reported to Executive as part of its regular performance monitoring. The latest Capital Programme Monitor 3 2021/22 report was presented to Executive on 7 February 2022. A copy of the Capital Monitor programme annex is located as Annex A. This report highlights where schemes have slipped or where there are changes in funding.
7. In the Transport Portfolio where there are a number of smaller schemes within the “Local Transport Plan” budget line progress and updates are

also reported to the executive member, (see attached latest update to the Executive Member for Transport Annex D).

8. Spend on the capital programme is reported quarterly at Executive alongside the Finance and Performance monitor.
9. Major projects reported to Audit and Governance Committee approximately on quarterly basis.
10. Major projects also published on the open data platform monthly: <https://data.yorkopendata.org/dataset/major-projects-highlight-reports>. Major Project progress are updated on a regular basis of part of this process. The current reports have been updated specifically for this meeting and are attached at Annex B.
11. Major Projects have monthly project boards which consider progress against delivery as well as financial performance. These boards (usually chaired by Directors) include Programme Managers, Finance, Legal and Procurement representatives. Where applicable the boards include external partners and funder representatives. There are boards covering:
  - Outer Ring Road
  - Station Gateway
  - Haxby Station
  - Transport (General)
  - Housing Delivery
  - Castle Gateway
  - Guildhall
  - York Central
12. Major Projects status is on performance scorecards for Departmental Management Team (DMT), some scrutiny, and all portfolio holders scorecards. Portfolio holders get this automatically monthly.
13. Project Assurance Group meet monthly, not about business as usual of the project, but to help support use of project methodology framework or bring up internally raised concerns. Feedback is then forwarded onto Corporate Management Team (CMT).
14. Project Assurance Group has department leads and covers major and medium projects.
15. Major projects are taken to CMT on a six-weekly cycle for discussion.

16. The capital programme is made up of projects which are categorised as either as a major project, large project or medium project in accordance with the Council's 'All About Projects' guidance on the intranet for project managers. The "All About Projects" framework is based on the Treasury green book guidance and it was approved by Corporate Management Team.
17. Major Projects are updated regularly and the reports are published on the open data platform <https://data.yorkopendata.org/dataset/major-projects-highlight-reports>. Major Project progress are updated on a regular basis as part of this process.
18. A number of major projects are likely to be added in the near future, subject to agreement of funding and acceptance onto the capital programme at full Council. The Council are in the final stages of securing £25million of funding for ZEBRA and BSIP (Bus service and sustainable transport interventions) much of which will be capital funding so this maybe a future area for Scrutiny to consider.
19. As would be expected projects can experience change. That change can be planned such as through increased scope of deliverables e.g. adding the active travel elements to the York Outer Ring Road Project or through unplanned change such as ground conditions etc.
20. Planned change that requires a change in budget is done through formal decision making.
21. Project management processes such as contingency and optimism bias are ways of managing unplanned cost impacts.
22. Whilst the well reported global inflation of prices of raw materials such as steel, timber and concrete does drive project costs up, it stresses the importance of a sound procurement process. Any procurement process which identifies a cost higher than the budget would be reported to members to seek the additional budget or agree the value engineering if it compromised the outcomes.

## **Council Plan**

23. The Council Plan has Eight Key Outcomes and capital programme delivery is way that many of these are delivered. The eight key outcomes are:
  - Well-paid jobs and an inclusive economy

- A greener and cleaner city
- Getting around sustainably
- Good health and wellbeing
- Safe communities and culture for all
- Creating homes and world-class infrastructure
- A better start for children and young people
- An open and effective council

## Implications

24. The following implications have been considered.

- **Financial:** New capital schemes and updates to rolling programmes are added as part of the annual capital budget which is recommended to Capital Programme. Updates are provided to regular capital monitoring reports to Executive (four per annum) and if the programme requires additional borrowing this is referred to Council for approval.
- There is a section included within the Council's Financial Regulations detailing specific requirements to managing schemes included within the capital programme. These are attached at Annex C
- **Human Resources (HR):** Projects require people to deliver them; therefore ensuring the human resource is in place to deliver projects is a key part of overseeing a programme of projects.
- **Legal:** All capital projects are subject to the governance controls contained in the Council's Constitution, specifically the Contract Procedure Rules and the Finance Regulations which set out the values of contracts at which different levels of approval must be sought. The Scheme of Delegation applies the financial limits set out in the Contract Procedure Rules and Finance Regulations. Legal colleagues work closely with officers to provide advice and support on capital projects and are involved in the Programme Assurance Board and project management boards of individual capital projects as is appropriate to the project.

## Risk Management

25. Project Management is about risk allocation, major projects will have identified the key risks to the projects which are obviously financial but can be much broader about the risks being managed.

## Recommendation

26. To review the Place Directorates' Capital Programme and consider areas for further specific scrutiny.

Reason: To keep the Committee updated.

## Contact Details

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### Chief Officer Responsible for the report:

**Neil Ferris**  
Corporate Director of Place

**Report  
Approved**



**Date** 9 May 2022

**Specialist Implications Officer(s)** None

**Wards Affected:**

**All**

## Annexes

Annex A – Exec Performance Report

Annex B – Project Update Reports

Annex C – Extract of Financial Regs

Annex D – Capital programme update to Executive Member for Transport –  
22 March 2022

## Abbreviations:

ZEBRA      Zero Emission Buses Regional Area  
BSIP        Bus Service Improvement Plan