

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

**5 January 2012**

Report of the Director of City Strategy

**City Strategy Capital Programme – 2011/12 Monitor 2 Report**

**Summary**

1. The purpose of this report is to set out progress to date on schemes in the 2011/12 City Strategy Capital Programme, including budget spend to the end of November 2011.
2. The report also proposes adjustments to scheme allocations to align with the latest cost estimates and delivery projections. It is proposed to reduce the overprogramming to approximately £190k to ensure that the programme is kept within budget at outturn.

**Background**

3. The City Strategy Capital Programme budget for 2011/12 was confirmed as £1,999k at Full Council on 24 February 2011. The programme was finalised on 26 July 2011 when the Cabinet Member was presented with the Consolidated Capital Programme, which included all work that had carried over from 2010/11.
4. A number of amendments were made to the programme at the Monitor 1 report, which was presented to the Cabinet Member at the November Decision Session meeting.
5. As a result of these adjustments, the current approved budget for the City Strategy Planning & Transport Capital Programme is £3,368k, which includes £1,601k of Local Transport Plan funding, plus other funding from the RFA Supplementary Grant, developer contributions, Local Sustainable Transport Fund grant funding, other grant funding, and council resources. This represents the budget available to spend, and is therefore net of the overprogramming built into the Local Transport Plan element of the programme. Overprogramming is used as a means to ensure the available funding is fully spent in each year.

6. The City Strategy Planning & Transport capital programme also includes £134k of funding from council resources for the maintenance of the City Walls.
7. The Accommodation Review and the Stadium schemes being progressed by the City Strategy Directorate are reported separately.
8. Table 1 shows the current approved capital programme.

**Table 1: Current Approved Capital Programme**

	<b>Gross Budget</b>	<b>External Funding*</b>	<b>Capital Receipts</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Original City Strategy Capital Programme	1,999	1,849	150
Variations approved at Consolidated Report (July)	+1,211	+1,167	+44
Variations approved at Monitor 1 Report (November).	+158	+158	
<b>Current Approved City Strategy Capital Programme</b>	<b>3,368</b>	<b>3,174</b>	<b>194</b>

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

9. The Chancellor announced an additional one off allocation of £50m for Integrated Transport Schemes in the Autumn Statement on 29 November. York has received £258k in 2011/12. Subject to a decision by Council the funding could be used to support a number of projects including Reinvigorate York and Access York Phase 1 start up. Further updates will be provided at the Decision Session meeting if available.

### **Summary of Key Issues**

10. At this stage of the year, feasibility and outline design has been completed for most of the schemes in the City Strategy capital programme, which has allowed more accurate cost estimates to be prepared.
11. The current spend to the end of November is £1,481k, which represents 44% of the total budget allocation (ie: the programme minus overprogramming). This is a higher spend than at this time in

2010 (36% of the total budget allocation), which is mainly due to the number of carryover schemes that have already been completed.

12. Each block within the LTP element of the programme has a budget figure allocated, which indicates the level of funding available, and a programme figure, which shows the value of all the schemes being progressed. As is usual, the level of overprogramming is adjusted through the year to manage the programme and to accommodate the changes which arise to the specification and delivery of the projects.
13. Owing to the good progress on the schemes within the programme, the current level of overprogramming (£436k) is considered to be too high for this stage in the year. A review of the current programme has been carried out, which has identified a number of schemes where the allocations need to be adjusted to suit progress and to reduce the risk of an overspend. It is proposed to reduce the level of overprogramming to approximately £190k (c.f. £197k in 2010/11) to account for the increased certainty of delivery for schemes across the programme, and the increased demands on future years funding following the recent approval of the Access York Phase 1 scheme.
14. The current approved budget and proposed adjustments are indicated in Table 2. Additional information, including details of the proposed changes to scheme allocations, is provided in the Annexes to the report.

**Table 2: Capital Programme Budget 2011/12**

City Strategy Capital Programme	2011/12 Programme	Paragraph Ref
	£000s	
<b>Current Approved City Strategy Capital Programme</b>	<b>3,368</b>	
<b><u>Adjustments:</u></b>		
Transfer of Section 106 funding from James Street Link Road Phase 2 to Access York Phase 1	0	Annex 1
CYC funding for City Walls Restoration slipped to 2012/13	-125	Annex 1
<b>Revised City Strategy Capital Programme</b>	<b>3,243</b>	

## **Consultation**

15. 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.
16. Funding for the capital programme was agreed by the council on 24 February 2011. Whilst consultation is not undertaken on the capital programme as a whole, individual scheme proposals do follow a consultation process with local councillors and residents.

## **Options**

17. The Cabinet Member has been presented with a number of amendments to the programme of works for approval. These amendments are required to ensure the schemes are deliverable within funding constraints, whilst enabling the objectives of the approved Local Transport Plan to be met.

## **Analysis**

18. The key proposed changes included in the report are summarised below and are detailed in Annex 1.
  - Increased allocation to Access York Phase 1 (Park & Ride) scheme following award of funding from DfT.
  - Reduced allocation for the Fishergate (Pedestrian Route to Barbican) scheme, which will be delivered over the year-end.
  - Reduced allocation for the James Street Link Road Phase 2 scheme, as planning approval has not yet been granted for the scheme.
  - Reduced allocations for some schemes in the public transport block, due to the lower cost of feasibility work in 2011/12.
  - Reduced allocations for some of the cycle scheme development work, due to the lower costs of feasibility work in 2011/12.
  - Reduced allocation for the 20mph Limit Scheme – Development & Implementation, as additional time is required to ensure the most effective policy is developed and to enable the trial schemes to be delivered.

- Amendment allocations for schemes in the Schools Schemes block, following a review of progress and predicted costs in 2011/12.
- CYC funding for City Walls Restoration slipped to 2012/13, as the works will not be carried out in 2011/12.

### **Council Plan**

19. The City Strategy Capital Programme supports the following corporate priorities:
- Get York moving: improvements to the city's transport network, through the schemes included in the capital programme, will contribute to the aim of providing an effective transport system that lets people and vehicles move efficiently around the city.
  - Protect the environment: encouraging the use of public transport and other sustainable modes of transport will contribute to cutting carbon emissions and improving air quality.

### **Implications**

20. 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 & Disorder implications
  - **Information Technology (IT)** – There are no IT implications
  - **Property** – There are no Property implications
  - **Other** – There are no other implications

### **Financial Implications**

21. The LTP allocation for 2011/12 was confirmed by the Department for Transport on 13 December 2010. The City Strategy Capital Programme budget was agreed by the Budget Council as part of the overall CYC capital programme on 24 February 2011, and was amended in the Consolidated report to the July Decision Session meeting to include carryover schemes and funding from the 2010/11 capital programme. Further amendments were made at the Monitor 1 report in November.

22. If the changes proposed in this report are accepted, the total value of the City Strategy Planning & Transport Capital Programme would be £3,431k. The overprogramming would reduce from £436k to £188k (compared to £197k at this stage in 2010/11), which reflects the progress achieved to date on the larger schemes, and the level of funding available in future years. The budget would reduce to £3,243k, and would be funded as follows.

City Strategy Capital Programme	Current Budget	Proposed Alteration	Proposed Budget
	£000s	£000s	£000s
LTP Settlement	1,549		1,549
Extra Funding	52		52
Regional Funding Allocation	669		669
Developer Contributions	560		560
Other Grant Funding	117		117
Local Sustainable Transport Fund	227		227
CYC Resources – Library Square	60		60
CYC Resources – City Walls	134	-125	9
<b>Total</b>	<b>3,368</b>	<b>-125</b>	<b>3,243</b>

23. The review of the programme and the deferment of some schemes to future years has allowed the level of overprogramming to be reduced from £436k to £188k, which reflects the progress achieved to date on schemes in the programme, and the reduced level of funding for future years.

### **Risk Management**

24. The Capital Programme has been prepared to assist in the delivery of the objectives of the Local Transport Plan. Owing to the lower availability of funding there is a risk that the targets identified within the plan will not be achievable. Alternative funding sources such as the Local Sustainable Transport Fund and the Access York Major Scheme Bid have been successfully obtained to support the programme.

## Recommendations

25. The Cabinet Member is requested to:

- i) Approve the adjustments to scheme allocations set out in Annexes 1 to 3.
- ii) Approve the reduction to the 2011/12 City Strategy capital budget, subject to the approval of the Cabinet.

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

## Contact Details

### Author:

**Tony Clarke**  
**Capital Programme**  
**Manager**  
**City Strategy**  
Tel No.01904 551641

Co-Author  
Patrick Looker  
Finance Manager  
City Strategy  
Tel No. 01904 551633

### Chief Officer Responsible for the report:

**Richard Wood**  
Assistant Director Strategic Planning  
and Transport

**Report**  **Date** 20.12.11  
**Approved**

*Chief Officer's name*  
*Title*

**Report**  **Date** *Insert Date*  
**Approved**

**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: 2011/12 Budget Report – 1 March 2011

City Strategy Capital Programme: 2010/11 Outturn Report – 28 June 2011

City Strategy Capital Programme: 2011/12 Consolidated Report – 26 July 2011

City Strategy Capital Programme: 2011/12 Monitor 1 Report – 3  
November 2011

**Annexes**

Annex 1: 2011/12 Monitor 2 Report – Scheme Progress Report

Annex 2: Summary of Proposed Changes

Annex 3: Current and Proposed Budgets