

Report of the Director of Learning, Culture and Children's Services and the Director of Resources

## **CAPITAL PROGRAMME OUT-TURN 2006/07**

### **Summary**

- 1 This report is to:
- inform Members of the final outturn position of the 2006/07 Capital Programme.
  - advise Members of changes to existing schemes to allow the more effective management and monitoring of the Capital Programme.
  - inform Members of any slippage in budgets between financial years.
  - inform Members of any new schemes and seek approval for their addition to the 2007/08 to 2009/10 Capital Programme.

### **Background**

- 2 The original capital programme for the financial year 2006/07 was approved at Council on 1 March 2006. Since then a number of amendments to the programme have been approved both by the Executive Member and the Executive. This has resulted in a current approved Leisure and Heritage capital programme for 2006/07 which shows gross capital expenditure of £1.001 m, of which £0.642m is from external sources giving a net capital programme cost of £0.359m. The table below details the approved changes to the 2006/07 capital programme since the original programme was approved in March 2006..

**Table 1 – Approved Amendments to the 2006/07 Capital Programme**

	Gross Spend £m	Other Funding £m	Net Spend £m
Original Capital Programme 2006/07	4.305	(1.393)	2.912
Slippage and Adjustments from the 2005/06 Outturn report	0.509	(0.343)	0.166
Adjustments from the First and Second Quarter Monitoring reports	(3.813)	1.094	(2.719)
Current Approved Capital Programme 2006/07	<u>1.001</u>	<u>(0.642)</u>	<u>0.359</u>

## Consultation

3 Not applicable

## Options and Analysis

### 2006/07 Scheme Outturn

4 Each scheme in the capital programme has been reviewed to provide an assessment of its current status. Annex 1 shows the current approved capital programme and the outturn position for 2006/07, together with any slippage that is required to and from future financial years. Updates have been provided for all schemes with progress and significant variations explained in the following paragraphs.

#### York Pools and Indoor Sports Provision (£8.133m)

5 As previously reported the delay in the capital receipt for the Barbican site has pushed back work on the major elements of this scheme. Only £57k of fee expenditure has been incurred in 2006/07.

#### Danebury Drive Allotments (£0.042m)

6 Only a small amount of the outstanding work on this scheme was carried out by the end of the financial year, so the remainder of the budget needs to be slipped to 2007/08.

#### Museum Service Heritage Lottery Bid (£1.900m)

7 As reported at Monitor 2 £50k was released to the Trust in 2006/07 for the immediate refurbishment of Kirkgate.

#### Oakland's Sports Centre Development (£1.892m)

8 The centre is now fully operational and there are only retentions and minor items of expenditure remaining. A small amount of funding has been slipped into 2007/08 to fund these costs.

#### Parks and Open Spaces Section 106 Development (£0.480m)

9 The majority of this budget was slipped into 2007/08 at monitor 2. Only a small amount of additional expenditure has been incurred in 2006/07, mainly on minor work in Hull Road park.

#### Knavesmire Emergency Drainage Works (£0.275m)

10 The improvement works to the Knavesmire drainage have been completed successfully, with only a small overspend of £2k on the current approved budget.

#### War Memorial Gardens (£0.030m)

11 This scheme has been slipped into 2007/08, as work has not yet begun.

#### Acomb Library (£0.750m)

12 Tenders for the scheme are due by 24<sup>th</sup> May 2007, with an estimated start on site in June 2007. The building work is expected to take six months and the new library learning centre will reopen in February 2008. The expenditure in 2006/07 relates to fees.

## York Pools and Indoor Sports Strategy Update

- 13 A report was taken to the Executive on 19<sup>th</sup> December 2006 which set out proposals for replacing Edmund Wilson swimming pool. The option which was approved was the construction of an independent pool hall against the gable end of the existing sports hall on the Oaklands site.
- 14 The cost of this scheme is estimated to be £5.424m, which is £1.424m above the original estimate of £4m assumed within the overall Pools programme. The Executive approved the funding of this additional expenditure from prudential borrowing, which would be repaid from the revenue savings in management and reception costs from combining the two facilities on one site. This is now reflected in the capital programme shown at Annex 1.
- 15 The total capital receipt from the sale of the Barbican site is now expected to be £8.310m. After deducting Leisure Section 106 from this, an amount of £8.140m is available to fund the Pools Strategy. After adding in the prudential borrowing of £1.424m this gives a total scheme budget of £9.564m. An amendment has been shown to reflect this on Annex 1.
- 16 A report on to request approval for a programme of repairs to Yearsley Pool is to be taken to the Executive on 12 June, 2007, as the next stage in the Pools Strategy.

### Corporate Priorities

- 17 The budgets covered in this report reflected the council's corporate objectives for 2006/07.

### Financial Implications

- 18 As a result of the final outturn a number of adjustments to existing schemes within the programme are required. Annex 1 provides a complete overview of the 2006/10 Leisure and Heritage Capital Programme, taking into account the review of existing schemes set out in this report.
- 19 The result of the amendments described above is to produce a revised capital programme for 2006/07 of £0.909m, funded by £0.579m of external resources, and resulting in a net cost to the council of £0.330m. The Leisure and Heritage Gross Capital Programme for the years 2007/08 to 2009/10 incorporating the effect of the changes described above is summarised in Table 2 below.

**Table 2 - Summary of Amendments to the 2007/10 Capital Programme**

Gross Leisure and Heritage Capital Programme	2007/08	2008/09	2009/10	Total
	£m	£m	£m	£m
Current Approved Capital Programme	4.477	5.774	1.763	12.014
<u>Adjustments: -</u>				
Scheme Slippage and Reprofiling	0.115	0.000	0.000	0.115
Amendments To Schemes		(0.086)		(0.086)
<b>Revised Capital Programme 2007/10</b>	<b>4.592</b>	<b>5.688</b>	<b>1.763</b>	<b>12.043</b>

### Implications:

- **Human Resources:** not applicable
- **Equalities:** not applicable
- **Legal:** not applicable
- **Crime and Disorder:** not applicable
- **Information Technology (IT):** not applicable

### Risk Management

- 20 There is always a degree of risk associated with operating a capital programme as schemes are developed and implemented. The key to minimising this risk is the effective operation of monitoring and control processes. This report is part of that process, where updated figures and corrective actions are proposed

### Recommendations

- 21 The Executive Member is recommended to: -
- note the updates to schemes as detailed above
  - agree the scheme slippage reported above and summarised in Annex 1
  - approve the revised capital programme as set out in Annex 1

Reason: in order to allow the effective monitoring of the Capital Programme.

### Contact Details

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**Report Approved**  **Date** 21/05/2007

Simon Wiles  
Director of Resources  
**Report Approved**  **Date** 21/05/2007

**For further information please contact the author of the report**

### Background Papers

2006/07 Estimate and Capital Programme Monitoring Files  
2006/07 Capital Programme Final Accounts Files

**Annex 1** - Approved Capital Programme and final outturn