

**Meeting of the Executive Member for
Neighbourhood Services and Advisory Panel**

4th December 2008

Report of the Director of Neighbourhood Services

**NEIGHBOURHOOD SERVICES CAPITAL PROGRAMME
MONITOR 2**

Summary

1. The purpose of this report is to:
 - Inform Members of the likely outturn position of the 2008/09 Capital Programme based on the spend profile and information to October 2008/2009;
 - To seek approval to any resulting changes to the programme;
 - Inform Members of any slippage and seek approval for the associated funding to be slipped between the relevant financial years to reflect this.

Background

2. The 2008/09 – 2010/11 capital programme was approved by Council on 21st February 2008. Since then a number of amendments have taken place as reported to Executive Members in the 2007/08 Capital Outturn report. These changes have resulted in a current approved capital programme for 2008/09 of £0.944m, financed by £0.414m of external funding, leaving a cost to the Council of £0.530m. Table 1 illustrates the movements from the original budget to the currently approved position.

	Gross Budget £m	External Funding* £m	Capital Receipts £m
Original Budget Approved by Council at 21 Feb 2008	0.370	0	0.370

Additions to 08/09 from 07/08 outturn report	0.172	0.015	0.157
Re-profiling to 09/10 & 10/11 from 07/08 outturn report	0	0	0
Additions / Reductions	0.402	0.399	0.003
Current Approved Capital Programme	0.944	0.414	0.530

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

Table 1 Current Approved Capital Programme

- The capital receipts column above implies receipts generated from the sale of Council assets will be used to fund the difference between the gross budget less all other specified funding sources. Due to the current economic climate not being favourable to achieving maximum receipt value from asset disposals, consideration will be given to the use of prudential borrowing to fund the capital programme as a temporary measure. When the economic climate returns to a more favourable state assets will be sold with the receipts being applied to finance the programme thus replacing the temporary borrowing.

Consultation

- The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 21 February 2008. 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.

Summary of Key Issues

- Against the current approved budget of £0.944m, there is a predicted outturn of £0.619m, a net decrease of £0.325m.
- The net decrease is comprised of:
 - Re-profiling current year budget into future years of £325k
- Table 2 highlights scheme specific information:

Gross Neighbourhood Services Capital Programme	2008/09	2009/10	2010/11	Total	Para Ref
	£m	£m	£m	£m	

Current Approved Capital Programme	0.944	0.361	0.133	1.438	
Re-profiling:					
Silver Street Toilets	(0.075)	0.075	0	0	15
Waste Infrastructure	(0.250)	0.250	0	0	18
Revised Capital Programme	0.619	0.686	0.133	1.438	

Table 2 Capital Programme Forecast Outturn 2008/09 – 2010/11

8. The main highlights of this report are:

- Slippage of £75k in to 2009/10 on the Silver Street Toilet Scheme
- Slippage of £250k into 2009/10 on the Waste Infrastructure Capital Grant
- All other schemes are expected to complete on target

Scheme Specific Analysis

Ward Committees

08/09 Budget: £172k (CYC resources)

08/09 Forecast: £172k

9. The total budget of £172k was carried forward from 2007/08. There is no new capital funding in 2008/09 as it was agreed that all ward committee schemes will be funded from revenue.

10. All schemes are expected to complete on target.

Air Quality Management

08/09 Budget: £12k (Defra Grant)

08/09 Forecast: £12k

11. The total budget of £12k was carried forward from 2007/08. The grant relates to air quality monitoring, air quality modelling and air quality action planning and was used to upgrade existing air quality monitoring equipment, modelling software and publicity/ education.

12. The remainder of the grant will be used to continue this work.

Contaminated Land Investigation

08/09 Budget: £42k (Defra Grant)

08/09 Forecast: £42k

13. Defra provide a capital grant to support detailed contaminated land investigations at three sites in accordance with obligations placed on the council by Part 11A of the Environmental Protection Act 1990.
14. £39k additional funding was received from Defra in 2008/09 to support further investigations. The remaining budget of £3k was carried forward from 2007/08.

Silver Street Toilets

08/09 Current Budget: £338k (CYC Resources)
08/09 Revised Budget: £263k
08/09 Forecast: £263k

15. This project is to replace Parliament Street Toilets with a purpose built modern facility that better reflects the needs of users. Work is not currently expected to complete until May 2009 because of the resubmission of planning applications, therefore slippage of £75k into 2009/10 is forecast.

Improvements to Towthorpe HWRC

08/09 Budget: £20k (CYC Resources)
08/09 Forecast: £20k

16. Funding was approved to make structural improvements at Towthorpe HWRC. Work is ongoing and should complete in this financial year.

Waste Infrastructure Capital Grant (WICG)

08/09 Current Budget: £360k (Defra Grant)
08/09 Revised Budget: £110k
08/09 Forecast: £110k

17. This is a new grant from Defra for which we will receive funding over the next three financial years (2008/09 £360k, 2009/10 £361k and 2010/11 £133k). The purpose of this grant is to enable local authorities to invest in front end waste infrastructure, notably for recycling and composting.
18. The Waste Strategy Report to Executive on the 23rd September 2008 outlines the proposals for this grant to purchase containers to extend the recycling service across the city. It will not be possible to spend the full allocation in this financial year because the choice of container type is dependant on the outcome of the Groves pilot. It is expected that £250k slippage will occur in 2008/09 and this will be carried forward.

Summary

19. Adjustments to the capital programme since the first monitor are required for slippage of £75k on the Silver Street Toilets scheme and £250k on the Waste Infrastructure Capital Grant.

Options

20. The report is primarily an information report for Members and therefore no options are provided to Members.

Corporate Priorities

21. 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.

Implications

Financial Implications

22. The financial implications are considered in the main body of the report.

Human Resources Implications

23. There are no significant HR implications as a result of this report.

Equalities Implications

24. There are no significant equalities implications as a result of this report.

Legal Implications

25. There are no significant legal implications as a result of this report.

Crime and Disorder

26. There are no significant crime and disorder implications as a result of this report.

Information Technology

27. There are no significant information technology implications as a result of this report.

Property

28. There are no significant property implications as a result of this report.

Risk Management

29. The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Capital Asset Management Group (CAMG) meets regularly to plan monitor and review major capital receipts to ensure that all capital risks to the Council are minimised.

Recommendations

30. That the Advisory Panel advise the Executive Member to :

- Approve the 2008/09 revised budget of £0.619m as set out in Table 2.
- Approve the net slippage of £0.325m into future years

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

Contact Details

Author:
Sarah Kirby
Finance Manager
Neighbourhood Services
Tel No.553109

Chief Officer Responsible for the report:
Terry Collins
Director Neighbourhood Services

**Report
Approved**



Date 6th November 2008

Specialist Implications Officer(s)

N/a

Wards Affected:

All

For further information please contact the author of the report

Background Papers - 2008/09 Capital Monitoring papers held at
Neighbourhood Services