

Executive Member Decision Session – Neighbourhood Services

24 March 2010

Report of the Director of Neighbourhood Services

NEIGHBOURHOOD SERVICES CAPITAL PROGRAMME MONITOR 3

Summary

1. The purpose of this report is to:
 - Inform the Executive Member of the likely outturn position of the 2009/10 Capital Programme based on the spend profile and information to December 2009;
 - To notify of any resulting changes to the programme;
 - Inform the Executive Member of any slippage and associated funding to be slipped between the relevant financial years to reflect this.

Background

2. The 2009/10 – 2013/14 capital programme was approved by Council on 26th February 2009. The current approved capital programme for 2009/10 is £4.657 m, financed by £2.248 m of external funding*, leaving a cost to the Council of £2.409 m. 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 26 Feb 2009	4.657	2.248	2.409
Additions/reductions approved at monitor 1	1.780	1.778	0.002
Slippage approved at monitor 1	(0.008)	0	(0.008)
Additions/reductions approved at monitor 2	0	0	0
Slippage approved at monitor 2	(1.100)	(1.000)	(0.100)
Current Approved Capital Programme	5.329	3.026	2.303

*External funding refers government grants, non-government grants, other contributions, developer's contributions and supported capital expenditure.

Table 1 Current Approved Capital Programme

3. 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

4. The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 26th 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.

Summary of Key Issues

5. Against the current approved budget of £5.329m, there is a predicted outturn of £5.041m, a net decrease of £0.288m.
6. The net decrease is composed of:
 - Additional grant of £46k received for Contaminated Land Investigations
 - An overspend on Silver Street Toilets of £24k
 - Slippage of £246k into 2010/11 on the Waste Infrastructure Capital Grant
 - Slippage of £112k on the EcoDepot Gatehouse/Reception.

Table 2 highlights scheme specific information:

Gross Neighbourhood Services Capital Programme	2009/10	2010/11	2011/12	Total	Para Ref
	£m	£m	£m	£m	
Current Approved Capital Programme	5.329	5.326	5.555	16.210	
Additional:					
Contaminated Land Investigations	0.046	0.005	0	0.051	
Silver Street Toilets	0.024	0.001	0	0.025	
Re-profiling:					
Waste Infrastructure Capital Grant	(0.246)	0.246	0	0	
EcoDepot gatehouse	(0.112)	0.112	0	0	
Revised Capital Programme	5.041	5.690	5.555	16.286	

Table 2 Capital Programme Forecast Outturn 2009/10 – 2011/12

7. The main highlights of this report are:

- Additional grant of £46k received for Contaminated Land Investigations
- An overspend on Silver Street Toilets of £24k
- Slippage of £246k into 2010/11 on the Waste Infrastructure Capital Grant
- Slippage of £112k on the EcoDepot Gatehouse/Reception.

Scheme Specific Analysis

Air Quality Management

09/10 Budget: £50k (DEFRA Grant)

09/10 Forecast: £50k

8. 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.

9. It is expected that this scheme will complete in year.

Contaminated Land Investigation

09/10 Budget: £12k (DEFRA Grant)

09/10 Revised budget £58k (DEFRA Grant)

09/10 Forecast: £58k

10. DEFRA provided a capital grant in 2008/09 of £39k 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.

11. The budget of £12k was carried forward from 2008/09.
12. An additional DEFRA grant has been awarded of £46k in 09/10 and £5k in 2010/11. This is in respect of investigations at sites at Chapmans Pond Landfill and Westfield School Landfill.
13. It is expected that the 2009/10 grant will be spent in year.

Waste Infrastructure Capital Grant (WICG)

09/10 Current Budget: £721k (DEFRA Grant)

09/10 Revised Budget £475k

09/10 Forecast: £475k

14. This was a new grant from DEFRA in 2008/09 for which we received funding over 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
15. The full grant for 2008/09 of £360k was slipped to 2009/10. Changes to the timetable for the rollout of kerbside recycling and alternate weekly collection have altered the phasing of the capital expenditure hence the request to slip £246k into 2010/11. The overall programme is due to complete by the end of December 2010.

Silver Street Toilets

09/10 Current Budget: £300k (CYC Resources)

09/10 Revised Budget £324k

09/10 Forecast: £324k

16. This project replaced Parliament Street Toilets with a purpose built modern facility that better reflects the needs of users.
17. This scheme has now completed and the facility was officially opened after Christmas. Additional costs have been incurred of £24k in year taking the 2009/10 spend to £324k. These are due to unforeseen structural problems and delays to the contract which has meant additional prelim costs from the main contractor.
18. Slippage of £8k was agreed at monitor 1 to cover anticipated retention of 2.5%, which is unlikely to be due until 2010/11, this has been revised to a budget of £9k required for retention costs.

Ward Committees

09/10 Current Budget: £56k (CYC resources)

09/10 Forecast: £56k

19. The total budget of £56k was carried forward from 2008/09. There is no new capital funding in 2009/10 as it was agreed that all ward committee schemes would be funded from revenue.

20. All schemes are expected to complete in year.

EcoDepot Security Gatehouse/Reception

09/10 Current Budget: £122k (CYC resources)

09/10 Revised Budget £10k

09/10 Forecast: £10k

21. This is a new scheme for 2009/10 which is intended to provide a permanent, purpose built, security gatehouse and reception at the point of entry to the EcoDepot site.

22. This scheme has not been progressed as planned and is at design stage currently. It is requested that £112k be slipped into next year. The £10k budget will be required for design fees for the start of the project.

Structural Maintenance – Highway Resurfacing and Reconstruction

09/10 Current Budget: £3,783k (£2,243k LTP, £1,540 CYC resources)

09/10 Revised Budget: £3,783 (£2,243k LTP, £1,540 CYC resources)

09/10 Forecast: £3,783k

23. All planned schemes within the Structural Maintenance scheme will be undertaken this year with the exception of those schemes requested to be slipped into 2010/11 in earlier monitoring reports.

24. All schemes are expected to complete on target.

Structural Maintenance - Bridges

09/10 Current Budget: £185k (CYC resources)

09/10 Forecast: £185k

25. The budget of £185k is in relation to the Melrosegate Bridge for restoring the bridge over the Sustrans cycle track.

26. It is expected that this scheme will complete on target.

Street Light Modernisation

09/10 Current Budget: £100k (Venture Fund)

09/10 Forecast: £100k

27. The budget of £100k was approved at Council on 26th February 2009. This is an advance from the Venture Fund of £100k in 2009/10 and £200k in 2010/11, to be spent on the modernisation of the city's street lighting stock, which will have the effect of reducing revenue costs and CO2 emissions.

28. It is expected that this scheme will complete on target.

Summary

29. Adjustments to the capital programme since the approval of the capital programme at Council on 26th February meeting, and updates at monitor 3, are:

- Additional grant of £46k received for Contaminated Land Investigations
- An overspend on Silver Street Toilets of £24k
- Slippage of £246k into 2010/11 on the Waste Infrastructure Capital Grant
- Slippage of £112k on the EcoDepot Gatehouse/Reception.

Corporate Priorities

30. 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

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

Human Resources Implications

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

Equalities Implications

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

Legal Implications

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

Crime and Disorder

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

Information Technology

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

Property

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

Risk Management

38. 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

39. That the Executive Member approves:

- The 2009/10 revised budget of £5.041m as set out in Table 2.
- Additional grant of £46k received for Contaminated Land Investigations
- An overspend on Silver Street Toilets of £24k
- Slippage of £246k into 2010/11 on the Waste Infrastructure Capital Grant
- Slippage of £112k on the EcoDepot Gatehouse/Reception.

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

Contact Details

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**Report
Approved**



Date 25/02/10

Specialist Implications Officer(s)

N/a

Wards Affected:

All

For further information please contact the author of the report

Annexes: None

Background Papers – 2009/10 Capital Monitoring papers held at Neighbourhood Services