

## **Report of the Director of Resources**

### **CAPITAL PROGRAMME – MONITOR THREE**

#### **Report Summary**

1. The purpose of this report is to:
  - Inform Members of the likely outturn position of 2009/10 Capital Programme based on the spend profile and information to mid January 2010;
  - Inform the Executive of any under or overspends and seek approval for any resulting changes to the programme;
  - Inform the Executive of any slippage and seek approval for the associated funding to be slipped to or from the financial years to reflect this;
  - To inform Members of the funding position of the capital programme, taking account of the current capital receipts forecasts for the five year capital programme.
  
2. The 2009/10 – 2013/14 capital programme was approved by Council on 26th February 2009. Since then a number of amendments have taken place as reported to the Executive in the 2008/09 Capital Programme Monitor 3 report, the 2008/09 Capital Programme Outturn report and the 2009/10 Monitor 1 and 2 reports. The changes made as result of the above papers have resulted in a current approved capital programme for 2009/10 of £67.379m, financed by £35.737m of external funding, and internal funding of £31.642m. Table 1 illustrates the movements from the start budget to the current approved position at monitor 2.

	<b>Gross Budget £m</b>	<b>External Funding £m</b>	<b>Internal Funding £m</b>
Original Budget Approved by Council at 26 Feb 2009*	<b>64.255</b>	<b>39.483</b>	<b>24.772</b>
Amendments from 2008/09 Monitor 3 report	0.702	0.309	0.393
Amendments from 2008/09 outturn report	4.017	(5.256)	9.273
Amendments from 2009/10 Monitor 1 report	(1.940)	0.166	(2.106)
Amendments from 2009/10 Monitor 2 report	0.345	1.035	(0.690)
<b>Current Approved Capital Programme*</b>	<b>67.379</b>	<b>35.737</b>	<b>31.642</b>

(\*note these figures have changed since the monitor 2 report due to splitting Supported Capital Expenditure approvals between revenue supported borrowing and direct grant. The reclassification has been shown retrospectively)

**Table 1 Current Approved Capital Programme**

## **Consultation**

- The capital programme was developed under the Capital Resource Allocation Model (CRAM) framework and agreed by Council on 26 February 2009. Whilst the capital programme as a whole is not consulted on, the individual scheme proposals and associated capital receipt sales do follow a consultation process with local Councillors and residents in the locality of the individual schemes.

## **Summary of Key Issues**

- An decrease of £4.423m is detailed in this monitor that results in a revised capital programme budget of £62.927m; £4.420m higher than the 2008/09 capital outturn of £58.536m.
- Against the current approved budget post 2009/10 Monitor 2 of £67.379m, there is a predicted outturn of £62.927m, a net decrease of £4.423m made up of:
  - Adjustments to schemes increasing expenditure by £0.105m.
  - The re-profiling of budgets from 2009/10 to future years of £4.528m.

Table 2 outlines the variances reported against each portfolio area.

<b>Department</b>	<b>Current Approved Budget £m</b>	<b>Projected Outturn £m</b>	<b>Variance £m</b>	<b>Paragraphs</b>
Children's Services	33.378	30.428	(2.950)	9 – 14
Leisure and Culture	5.536	4.833	(0.703)	15 – 21
City Strategy	5.340	5.215	(0.125)	22 – 24
City Strategy (Economic Development)	0.113	0.113	0.000	25
Housing	8.734	8.714	(0.020)	26
Neighbourhood Services	5.329	5.041	(0.288)	27 – 31
Resources	1.761	1.761	0.000	32
Chief Executive	4.182	4.008	(0.174)	33 – 37
Social Services	0.711	0.781	0.070	38 – 39
City Strategy (Admin Accom)	2.107	1.874	(0.233)	40 – 41
Miscellaneous	0.188	0.188	0.000	42
<b>Total</b>	<b>67.379</b>	<b>62.956</b>	<b>(4.423)</b>	

**Table 2 Capital Programme Forecast Outturn 2009/10**

6. To the end of September there was £32.968m of capital spend representing 52.4% of the projected outturn as per monitor 3 budget.

### **Summary of Key Outcomes**

7. The 2009/10 capital programme will contribute toward the Corporate Strategy and will deliver:
- a. Works totalling £1.7m on New Deals for Schools (NDS) modernisation programmes. This funding allows schools to invest in buildings, grounds and ICT equipment, enabling schools to improve their pupils' educational standards by maintaining and modernising their facilities. Major achievements with this funding include Fulford Secondary building new science labs, such as the example shown in image 1.1. Other schools have used the funding to set up new I.T. suites.



*Image 1.1. A newly fitted science lab*

- b. Projected spend of £2.3m on the New Deals for Schools (NDS) devolved capital programmes. This programme provides schools with direct funding for the priority capital needs of their buildings (capital repair, remodelling or new build) and investment in ICT equipment. Many schools use their allocations to contribute to larger projects at their school within the Children's Services capital programme.

Current schemes include the significant remodelling and refurbishment of school-based provision for 0-5 year olds at Wigginton, Dringhouses and Fishergate Primary schools. This will bring these facilities up to a modern standard to help provide the best start in life for local preschool children, whilst further projects of the same nature are underway at other school locations across the city.

The Learning Centre at Archbishop Holgate's CE secondary school was completed in summer 2009. This has enabled the school to offer a wide range of qualifications for post-16 children across the city and expanded the choice of facilities these students can enjoy across the city. A picture of the Learning Centre is included in Image 2.1.



*Image 2.1. Learning Centre at Archbishop Holgate's.*

- c. The £28m Joseph Rowntree Secondary school will open in March 2010, the design for which has won a major national award for 'Most Versatile Learning Environment'. The projected 2009/10 spend is over £17.8m, the school is scheduled to be complete in February 2010 and is currently on budget.

The new building, which includes space dedicated to 14-19 diploma provision, specialised outdoor learning provision, and full video conferencing facilities, replaces an outdated set of aging buildings that that were amongst the most dilapidated school buildings in York. The new state-of-the-art facilities will enable pupils to benefit from wider curriculum availability and enhanced teaching and learning, whilst the community will also be able to benefit from access to some of the facilities available. A computer simulation of the completed school is shown in image 3.1.



*Image 3.1 Computer simulation of the completed Joseph Rowntree School.*

- d. The new Energise facility is now fully operational. The gym and pool were opened in November and December respectively. New facilities include a 6 lane 25 metre pool (shown in image 4.1), a learner pool, a hydrotherapy pool, a new changing area and a gym (shown in image 4.2).

Energise will allow greater operating efficiency by consolidating the activities previously provided by Edmond Wilson and Oaklands Sports Centre in a single location. Residents will now have access to an improved range of sporting facilities through a single membership scheme. The Energise sports centre will also be more inclusive than the old Edmond Wilson, shown in image 4.1, facility as it will have better disabled access and a crèche. An exterior view of the centre is included as image 4.4.



*Image 4.1 Swimming Pool in the Energise Centre*



*Image 4.2 Gym in the Energise Centre*



*Image 4.3 The replaced Edmond Wilson Pool*



*Image 4.4 Exterior of the Energise Centre*

- e. The development of a Community Learning Centre and a Changing Places facility within the new explore centre at York Library has now begun. York Library closed on 31 October for the scheme to begin and it will be reopened at the start of April.

These works will make York Library, shown in image 5.1, a more welcoming and accessible location. It will create a suite of rooms within the library that are dedicated to learning. The explore centre will support community based learning which will specifically benefit black and minority ethnic groups with English as a second language. A wide range of activities will be put in place to support literacy and the studies of children and young people. An improved health information section will be available, along with staff trained to assist the public on the Patient Choice website. This facility will help make York a more inclusive city by improving access of learning and cultural resources to residents. An image of the recently opened Acomb Explore centre is shown in Image 5.2. This demonstrates the modern assessable layout planned for the Library.



*Image 5.1 Exterior of York Library*

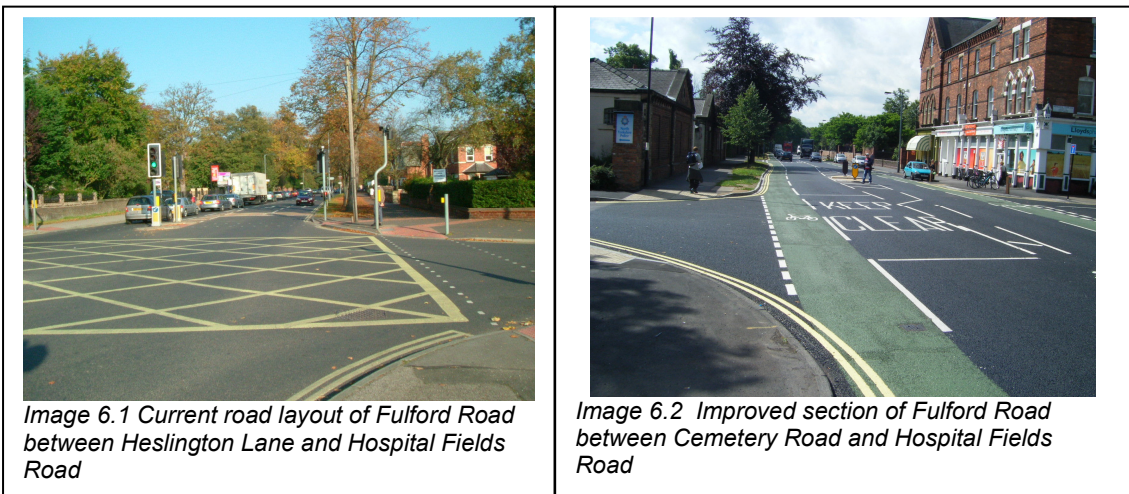


*Image 5.2 Acomb Explore Centre*

- f. Completion of Fulford Road multi-modal scheme providing bus priorities and cycle lanes along Fulford Road between Heslington Lane and Hospital Fields Road (£950k).

When this scheme is completed there will be a continuous city-bound cycle lane from Heslington Lane to Cemetery road whilst out-bound cyclists will also have a continuous route with a combination of on-road and off-road facilities and less confident cyclists will have a shared-use off-road facility between Heslington Lane and the Police HQ. Pedestrians will benefit from upgraded pedestrian crossing facilities. Peak period bus journey times should improve as the result of new city-bound bus lanes on the approaches to the Broadway and Hospital Fields Road junctions. These improvements will encourage the use of more sustainable modes of transport.

Image 6.1 shows the current arrangements between Heslington Lane and Hospital Fields Road prior to any improvement works. Image 6.2 shows the recently improved section between Cemetery Road and Hospital Fields Road.



- g. Progression of Access York Phase 1 project to develop 3 new Park & Ride sites through Department for Transport approval processes, planning and detailed design stages (£875k). Image 7.1 shows the proposed location of the new and existing sites across York.

Work continues on the development of the Access York Phase 1 (Park & Ride) Scheme with planning applications obtained for Askham Bar and submitted for Poppleton Bar and Clifton Moor within 2009/10. The addition of these Park & Ride facilities will reduce congestion and therefore, will improve air quality and have a positive economic impact. A computer simulation of the completed Poppleton Bar Park & Ride site is included as Image 7.2.

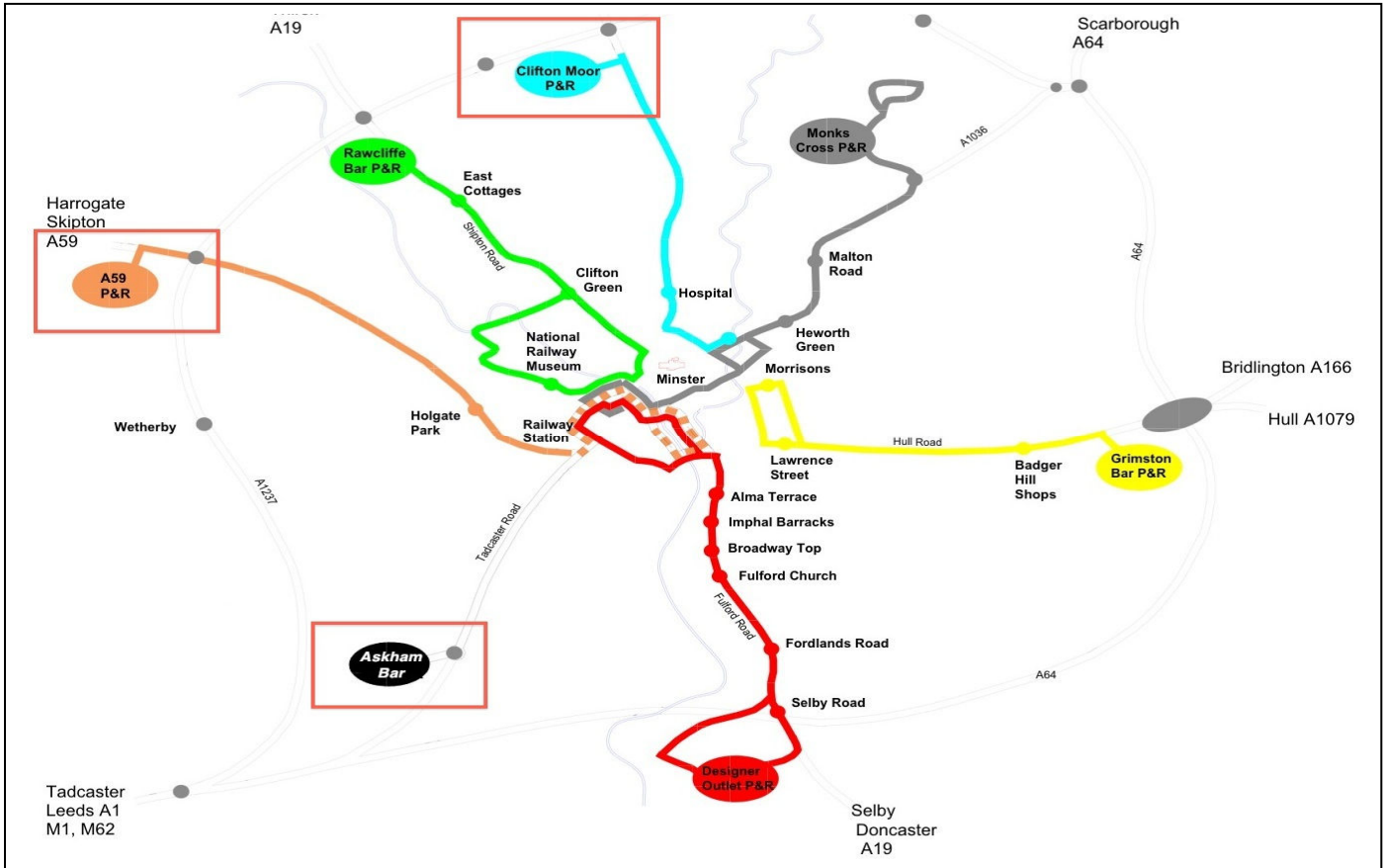


Image 7.1 Map of main access roads across York including the current and proposed Park & Ride routes



Image 7.2 Computer simulation of the proposed Poppleton Bar Park & Ride site



- h. Provision of approximately 1.2km of on and off-road cycle lanes on Crichton Avenue as part of the Orbital Cycle route being implemented through the Cycling City project (£575k). A map of the planned works on Crichton Avenue is shown in image 8.1.

Work on the construction of new cycle facilities on Crichton Avenue began in November and should be completed by March 2010. This will provide continuous cycle facilities (both on-road and off-road) from Wigginton Road to Kingsway North, and is part of the Orbital Cycle Route. The creation of the continuous Orbital Cycle Route will help York to be a greener and healthier City. The dedicated cycle routes will also improve road safety for cyclists.

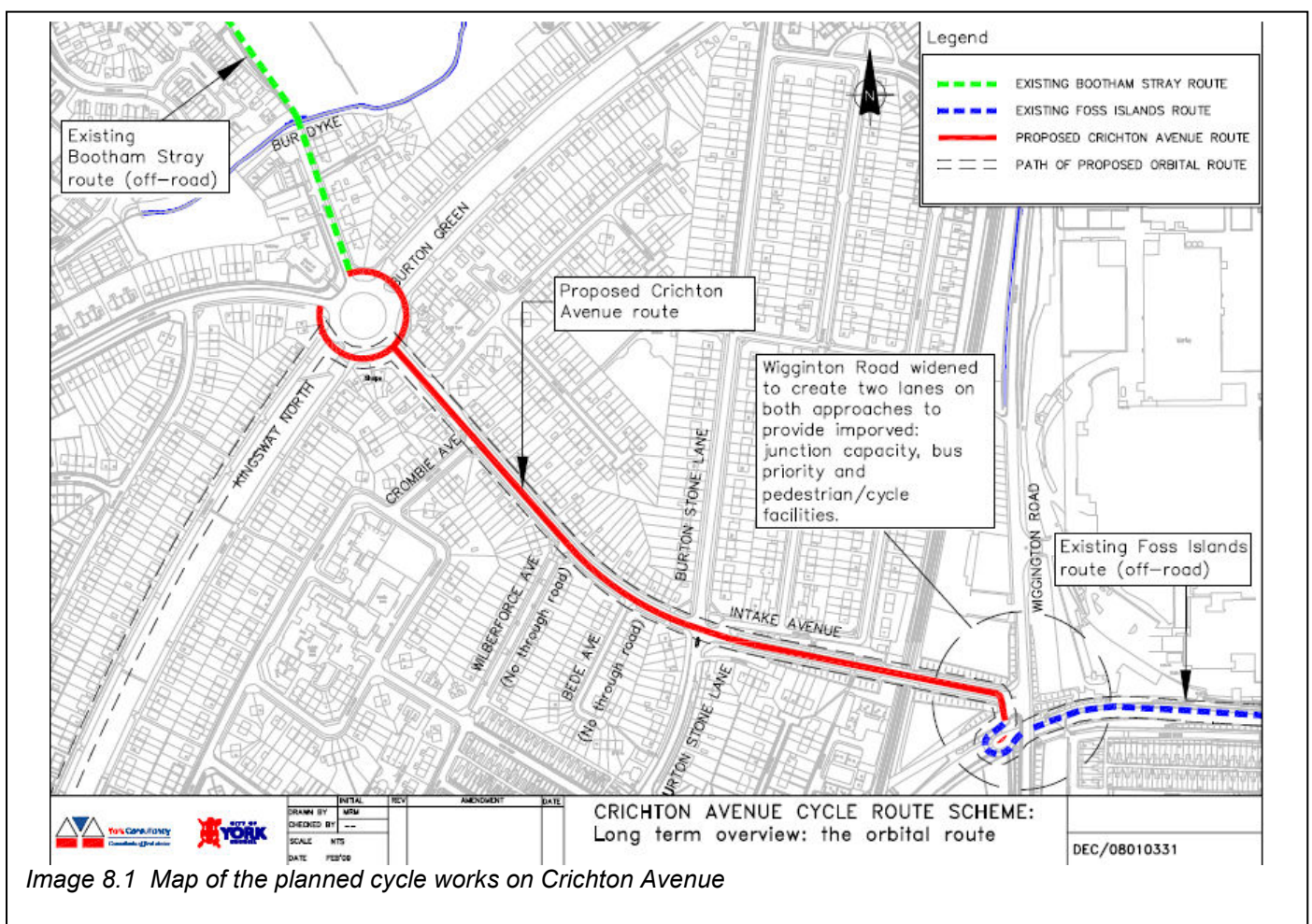


Image 8.1 Map of the planned cycle works on Crichton Avenue

- i. Schemes in housing will see over 1850 individual works completed on Council houses including new heating systems to over 200 homes. Image 9.1 and 9.2 shows the a kitchen installation in a Council home.

Housing schemes help to raise the living standard of Council tenants who are often the most at risk residents in the city. Modernising properties by replacing heating systems will improve energy efficiency

and contribute to York becoming a more sustainable city. These schemes pro actively help to maintain the health of Council tenants and therefore avoid costs in reactive care.



*Image 9.1 A Council home before a renovated kitchen is installed.*



*Image 9.2 A Council home following installation of a new kitchen*

## Analysis

8. A summary of the key exceptions and implications on the capital programme are highlighted below.

### Education and Children's Services

9. The current approved capital programme for Education and Children's services for 2009/10 is £33.378m following the adjustments made as a result of the 2009/10 Monitor 2 report. As a result of changes made at the second monitor, the 2009/10 capital programme will decrease by £2.950m to £30.428m. Table 3 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Children's Services Capital Programme</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>2011/13 £m</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>	<b>Total £m</b>
<b>Current Approved Capital Programme</b>	<b>33.378</b>	<b>22.849</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>56.227</b>
<b><u>Reprofiling:</u></b>						
Schools Access Initiative	(0.100)	0.100				0.000
Primary School Strategic Programme	(2.000)	2.000				0.000
Children's Centres Phase 3	(0.200)	0.200				0.000
Joseph Rowntree One School Pathfinder	(0.700)	0.700				0.000

<b>Adjustments:</b>						
Applefields School - Co Location	0.050	0.877				0.927
<b>Revised Capital Programme</b>	<b>30.428</b>	<b>26.726</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>57.154</b>

**Table 3 Education and Children's Services Capital Programme 2009-2014**

10. The Schools Access Initiative scheme requires some reprofiling into 2010/11. The majority of projects are expected to be completed in 2009/10 but a small number of schemes have been rescheduled to be carried out over the summer holidays, therefore the funding for these needs to be reprofiled into 2010/11.
11. The Primary School Strategic Programme schemes requires re-profiling into 2010/11. Plans and financial projections are being finalised for the first two schemes to be carried out under this programme, at Our Lady's / English Martyr's, and Clifton / Rawcliffe. The only expenditure in the current financial year will be in relation to fees and preliminary works, therefore a significant amount of the budget needs to be reprofiling into 2010/11. Once detailed budgets have been agreed, a full update on the two schemes will be reported to the Executive.
12. The Children's Centre Phase 3 schemes requires some re-profiling into 2010/11. The scheme at Knavesmire for the ninth Children's Centre has now commenced and should be completed by Easter 2010. In addition, some additional investment at Scarcroft Primary and St Clements Hall is being carried out to enable their use as outreach facilities. This expenditure is being funded from the Phase 3 Children's Centres Capital Grant. Although the main building work at Knavesmire should be completed in 2009/10, final payments and equipment etc will be incurred in 2010/11, therefore it is proposed that £200k of the budget be reprofiled to 2010/11.
13. The Joseph Rowntree One School Pathfinder schemes requires some re-profiling into 2010/11. The new school building is substantially complete, with the installation and testing of ICT hardware and infrastructure currently in progress. The new building is expected to be handed over to the authority on 22<sup>nd</sup> March 2010. The demolition of the old school building and final landscaping will be complete in October 2010. The project is currently on programme and on budget, however, an analysis of the payment profile for the remainder of the work suggests that an amount of the budget totalling £700k needs reprofiling into 2010/11.
14. A new scheme is requested to be added under the title Applefields School – Co location. A successful bid has been made to the DCSF Co-Location Fund, a £200m cross-government dedicated fund to support capital

projects that will allow the co-location of two or more services for children, young people and families. The project at Applefields aims to bring together services to support young people with disabilities into adult life. It will bring together a mix of universal and targeted services, including children and adult social care transition workers, physiotherapy, speech and language therapy, occupational therapy, CAMHS (psychologist and specialist nurse), on the school site to improve accessibility and service take up, whilst strengthening partnership working and reducing costs. The project will also provide direct work facilities for a range of post 16 education providers and become a bridging facility to local employers, building on the existing work to open up opportunities for further education and employment for young people. The project is fully funded from external sources.

### **Leisure and Culture**

15. The approved capital programme for Leisure and Culture services is £5.536m following the adjustments made as part of the 2009/10 Monitor 2 report. As a result changes made in this monitor, the capital programme will decrease by £732k to £4.804m. Table 4 gives a summary of the Leisure and Culture programme by value over the currently approved 5 year programme.

<b>Gross Leisure and Culture Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Current Approved Capital Programme</b>	<b>5.536</b>	<b>3.190</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>8.726</b>
<b>Reprofiling:</b>						
Museum Service Heritage Lottery	0.013	(0.013)				0.000
Milfield Lane Comm Sports Centre	(0.530)	0.530				0.000
York Explore Centre	(0.150)	0.150				0.000
Library Self-Issue Equipment	(0.065)	0.065				0.000
<b>Adjustments:</b>						
Melbourne Street Community Building	0.029					0.029
<b>Revised Capital Programme</b>	<b>4.833</b>	<b>3.922</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>8.755</b>

**Table 4 Leisure and Culture Capital Programme 2009 – 14**

16. The Museum Service Heritage Lottery scheme requires reprofiling as £13k has been paid to the Trust since Monitor 2 and therefore needs to be brought forward from 2010/11, as the Trust have been able to undertake development work on the gardens scheme during 2009/10 with a view to the full scheme starting next year. This leaves a budget of £200k in 2010/11 to provide match funding for the second phase of the scheme which includes work in the Museum Gardens.
17. The Milfield Lane Community Sports Centre scheme requires reprofiling as the new changing rooms at Manor School are now going to form part of the planning application for the new Diploma build, therefore the £200k contribution will not be required until 2010/11. The remainder of the budget is to be used for the purchase of land and subsequent ground works to drain and level for the creation of football pitches. It is unlikely that this will happen in 2009/10 so the majority of the remaining budget needs to be reprofiled into 2010/11, with a small amount (c£20k) retained in 2009/10 for preliminary expenses and fees.
18. The York Explore Centre scheme requires reprofiling. Work on this project is ongoing and progressing well. The building is expected to be handed back to the council at the end of March. The furniture will then need to be

installed and this is now expected to be carried out in early April, therefore this element of the budget needs to be reprofiled into 2010/11.

19. The Library Self-Issue Equipment scheme requires reprofiling. The machines for Acomb Library have been installed and are operational, but the ones for York Explore will be installed at the end of the main build contract. This is now likely to be in early April so the element of the scheme relating to these needs to be reprofiled into 2010/11.

20. In relation to the new Energise facility it should be noted that the final cost of construction is expected, subject to agreement of the final account, to be marginally in excess of the original budget. Members will be updated with further information as part of the 2009/10 capital outturn report.

21. The Addition of £29k for Melbourne Street Community Building is to be funded from prudential borrowing and paid for from existing revenue budgets in Leisure services.

### **City Strategy**

22. The current approved capital programme for City Strategy is £5.340m following the adjustments made as part of the 2009/10 Monitor 2 report. As a result of changes contained in the Monitor 3 report the capital programme will decrease by £125k to £5.215m. Table 5 gives a summary of the changes on a scheme by scheme basis.

<b>Gross City Strategy Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>5.340</b>	<b>7.097</b>	<b>3.617</b>	<b>3.605</b>	<b>3.605</b>	<b>23.264</b>
<b><u>Adjustments:</u></b>						
Local Transport Plan (LTP)	(0.125)					(0.125)
Cycling City		(0.098)				(0.098)
<b>Revised Capital Programme</b>	<b>5.215</b>	<b>6.999</b>	<b>3.617</b>	<b>3.605</b>	<b>3.605</b>	<b>23.041</b>

**Table 5 City Strategy Capital Programme 2009-14**

23. The reduction of the LTP scheme is due to the section 106 allocation being a nominal allocation. It has therefore been necessary to reduce profiled scheme expenditure as a result of this funding not being available to the level expected.

24. The Cycling City scheme reduction in the capital programme in 10/11 is due to the split between capital and revenue funding changing. The overall

level of expenditure will therefore not change instead a larger proportion will be spent via revenue budgets.

### **Economic Development**

25. The approved capital programme for Economic Development is £0.113m. No changes to the projected outturn position are anticipated as part of this monitor. Table 6 confirms the current budget.

<b>Gross Eco Dvpt Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Current Approved Capital Programme</b>	<b>0.113</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.113</b>

**Table 6 Economic Development Capital Programme 2009 -14**

### **Housing**

26. The approved capital programme for Housing services is £8.734m following the adjustments made as part of the 2009/10 Monitor 2 report. Only minor changes will be made as a result of this monitor. Table 7 gives a summary of the currently approved budget.

<b>Gross Housing Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>8.734</b>	<b>9.121</b>	<b>10.205</b>	<b>9.807</b>	<b>10.888</b>	<b>48.755</b>
<b><u>Reprofiling:</u></b>						
Energy Conservation in Homes	(0.020)	0.020				0.000
<b>Revised Capital Programme</b>	<b>8.714</b>	<b>9.141</b>	<b>10.205</b>	<b>9.807</b>	<b>10.888</b>	<b>48.755</b>

**Table 7 Housing Capital Programme 2009 - 2014**

### **Neighbourhood Services**

27. The approved capital programme for Neighbourhood services is £5.329m following the adjustments made as a result of the 2009/10 Monitor 2 report. As a result of this monitor, the capital programme will decrease by £288k to £5.041m. Table 8 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Neighbourhood Services Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>5.329</b>	<b>5.326</b>	<b>5.555</b>	<b>3.055</b>	<b>3.055</b>	<b>22.320</b>
<b>Reprofiling:</b>						
Waste Infrastructure	(0.246)	0.246				0.000
Eco Depot Security Gate / Reception	(0.112)	0.112				0.000
<b>Adjustments:</b>						
Contaminated Land Investigation	0.046	0.005				0.051
Silver Street Toilets	0.024	0.001				0.025
<b>Revised Capital Programme</b>	<b>5.041</b>	<b>5.690</b>	<b>5.555</b>	<b>3.055</b>	<b>3.055</b>	<b>22.396</b>

**Table 8 Neighbourhood Services 2009 – 2014**

28. The Waste Infrastructure scheme requires reprofiling as a result of Changes to the timetable for the rollout of kerbside recycling and alternate weekly collection. The overall programme is due to complete by the end of December 2010.
29. The Eco Depot Security Gate requires reprofiling as the scheme has not been progressing as planned and is currently at the design stage. It is requested that £112k be slipped into next year. The £10k budget will be required in 09/10 for design fees for the start of the project.
30. The Contaminated Land budget has increased due to an additional DEFRA grant being awarded totalling £51k and profiled across 09/10 and 10/11. This is in respect of investigations at sites at Chapmans Pond Landfill and Westfield School Landfill.
31. The Silver Street toilets scheme is requesting additional funding over that currently approved. 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 preliminary costs from the main contractor.



## Resources

32. The approved capital programme for Resources is £1.761m. As a result of this monitor, no variations are forecast. Table 9 states the position of the programme.

<b>Gross Neighbourhood Services Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>1.761</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.761</b>

**Table 9 Resources Capital Programme 2009 –2014**

## Chief Executives

33. The approved capital programme for Chief Executives is £4.182m following the adjustments made as a result of the 2009/10 Monitor 2 report. As a result of this monitor, the capital programme will decrease by £174k to £4.008m. Table 10 gives a summary of the changes on a scheme by scheme basis.

<b>Gross Chief Executives Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>4.182</b>	<b>0.354</b>	<b>1.250</b>	<b>0.000</b>	<b>0.000</b>	<b>5.786</b>
<b>Reprofiling :</b>						
Health & Safety / DDA	(0.060)	0.060				0.000
St Clements Hall Refurbishment	(0.066)	0.066				0.000
Urgent River Banks Repairs	(0.070)	0.070				0.000
Acomb Office	0.011	(0.011)				0.000

<b>Adjustments:</b>						
Property Key Components (H&S)	(0.040)					(0.040)
Peasholme Improvements	0.040					0.040
Hospital Fields Road	0.011					0.011
<b>Revised Capital Programme</b>	<b>4.008</b>	<b>0.539</b>	<b>1.250</b>	<b>0.000</b>	<b>0.000</b>	<b>5.797</b>

**Table 10 Chief Executives Capital Programme 2009 – 2014**

34. A number of schemes require reprofiling into 10/11 totalling £196k, this figure is comprised of £60k in relation to Disability Discrimination Act programme of work, this budget will be used to contribute to an Access Scheme that is being developed by City Strategy. This scheme is unlikely to start this financial year and is therefore required to be reprofiled into 10/11. £66k in relation to St Clements Hall will be required be reprofiled into 10/11 due to minor delays. And £70k is required to be reprofiled into 10/11 due to due to the weather and river levels causing delays on the scheduled work.
35. It is proposed that £40k from the Property Key Components budget is allocated to the Peasholme Improvements scheme in addition to the £128k to be allocated from contingency budget . The reason for the £168k overspend is due necessary work to remedy the poor quality work of the previous contractor. The major element of redesign and building elements has increased costs by £54k. This was not a matter of instructing additional expenditure, but a requirement to complete the project quickly and in a compliant manner. In addition, there has been the cost of fees to do this work from externally appointed consultants, £33k, and further costs of £19k for the need to extend oversail, scaffolding and party wall licences during the extended contract period. Further, internal recharges against the scheme of £15k had previously not been picked up. Finally, £47k for a direct payment made to a supplier for bathroom pods was an oversight and a cost the council had already incurred but not reported in December 08 as being part of this contract.
36. During this period the Administrative Accommodation project has been undergoing a review and Executive approved on 21 September 2009 that the land assembly element (for the Hungate site) was to be moved to the separate Peasholme improvement scheme on the basis that the land assembly at Hungate no longer supported the new Administrative Accommodation project. As a consequence, it appears that reporting responsibility has fallen between two areas and the full extent of the overspend has only recently been identified. This is the first opportunity to explain the overspend and seek approval for funding.

37. Hospital Fields road requires additional funding of £11k which is to be met from existing budgets from within Property Services and is referenced here for completeness.

### **Social Services**

38. The approved capital programme for Social Services is £711k following the adjustments made as a result of the 2009/10 Monitor 2 report. As a result of this monitor, the capital programme is forecast to increase by £70k to £781k . Table 11 states the position of the programme.

<b>Gross Social Services Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>0.711</b>	<b>0.351</b>	<b>0.235</b>	<b>0.245</b>	<b>0.255</b>	<b>1.797</b>
<b><u>Adjustments:</u></b>						
Day Service Modernisation	0.028					0.028
Health and Safety Works at Social Services Establishments	0.042					0.042
<b>Revised Capital Programme</b>	<b>0.781</b>	<b>0.351</b>	<b>0.235</b>	<b>0.245</b>	<b>0.255</b>	<b>1.867</b>

**Table 11 Social Services Capital Programme 2009 – 2014**

39. Both additions to the capital programme totalling £70k are fully funded from external resources.

### **Administrative Accommodation**

40. The approved capital programme for Administrative Accommodation is £2.107m following the adjustments made as a result of the 2009/10 Monitor 2 report. As a result of this monitor, the capital programme is forecast to decrease by £233k to £1.874k. Table 12 gives a summary of the changes.

<b>Gross Admin Accom Capital Programme</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/13</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Current Approved Capital Programme	<b>2.107</b>	<b>12.494</b>	<b>12.304</b>	<b>13.388</b>	<b>0.000</b>	<b>40.293</b>
<b><u>Adjustments:</u></b>						

Admin Accommodation	(0.233)	0.243		(0.011)		(0.001)
<b>Revised Capital Programme</b>	<b>1.874</b>	<b>12.737</b>	<b>12.304</b>	<b>13.377</b>	<b>0.000</b>	<b>40.292</b>

**Table 12 Admin Accom Programme 2009- 2014**

41. The reprofiling of the Administrative Accommodation budget is required in accordance with the expected expenditure over the next three years, in light of the developer being appointed in December 2009. £0.233k has been slipped in to 2010/11 from 2009/10 due to the procurement process being extended and therefore contract payments not being paid as quickly as expected. The project is still due to complete on time in 2012/13.

### **Contingency**

42. One request for funding to be made available from the contingency has been received. The request is to use £128k to part fund the expenditure incurred in relation to Peasholme Improvements works as set out above under the Chief Executives section.

### **Summary**

43. As a result of the changes highlighted above the revised 5 year capital programme is summarised in Table 13.

<b>Gross Capital Programme</b>	<b>2009/10 £m</b>	<b>2010/11 £m</b>	<b>2011/12 £m</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>	<b>Total £m</b>
<b>Current Programme</b>	<b>67.379</b>	<b>60.782</b>	<b>37.166</b>	<b>30.100</b>	<b>17.803</b>	<b>213.230</b>
<b><u>Adjustments :</u></b>						
Children's Services	0.050	0.877				<b>0.927</b>
Leisure Services	0.029					<b>0.029</b>
Neighbourhood Services	0.070	0.006				<b>0.076</b>
City Strategy	(0.125)	(0.098)				<b>(0.223)</b>
Social Services	0.070					<b>0.070</b>
Chief Executives	0.011					<b>0.011</b>
<b><u>Re-profiling:</u></b>						
Children's Services	(3.000)	3.000				<b>0.000</b>
Leisure and Culture	(0.732)	0.732				<b>0.000</b>
Housing	(0.020)	0.020				<b>0.000</b>
Neighbourhood Services	(0.358)	0.358				<b>0.000</b>

Chief Execs	(0.185)	0.185				<b>0.000</b>
Admin Accom	(0.233)	0.243		(0.011)		<b>(0.001)</b>
<b>Revised Programme</b>	<b>62.956</b>	<b>66.105</b>	<b>37.166</b>	<b>30.089</b>	<b>17.803</b>	<b>214.119</b>

**Table 13 Revised 5 Year Capital Programme**

## **Funding the 2009/10 – 2013/14 Capital Programme**

44. The current capital programme is funded from a number of externally funded sources, along with capital receipts raised from the sale of surplus assets.

45. The 2009/10 capital programme of £62.956m is currently being funded from £35.095m of external funding and £27.861m of internal funding. The internal funding is comprised of revenue contributions, supported capital expenditure, venture fund, right to buy receipts, capital receipts and prudential borrowing.

46. Table 14 shows the projected call on Council resources going forward.

	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>		<b>£m</b>	<b>£m</b>
<b>Gross Capital Programme</b>	<b>62.927</b>	<b>66.105</b>	<b>37.166</b>	<b>30.089</b>	<b>17.803</b>	<b>214.119</b>
Funded by:						
External Funding	35.095	37.971	8.888	8.428	9.603	<b>99.985</b>
Council Controlled Resources	27.861	28.134	28.278	21.662	8.200	<b>114.134</b>
<b>Total Funding</b>	<b>62.956</b>	<b>66.105</b>	<b>37.166</b>	<b>30.089</b>	<b>17.803</b>	<b>214.119</b>

**Table 14 – 2009/10 –2013/14 Capital Programme Financing**

47. The current economic environment continues to place pressure on the funding of the programme over the 5 year cycle resulting in additional funding pressures based on current projections. The capital programme continues to place reliance on the achievement of a small number of high asset disposals which have been affected by the economic downturn. This funding pressure could be managed using a number of funding sources such as prudential borrowing with the revenue costs being covered from the revenue contributions agreed as part of the 2009/10 - 2013/14 capital programme.

## **Corporate Priorities**

48. 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 contribute toward the achievement of the corporate strategy.

## **Implications**

### **Financial Implications**

49. The financial implications with regards to the Capital Programme are considered in the main body of the report.

### **Human Resources Implications**

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

### **Equalities Implications**

51. There are no equalities implications with regards to the capital programme in the main body of the report.

### **Legal Implications**

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

### **Crime and Disorder**

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

### **Information Technology**

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

### **Property**

55. The property implications of this paper are included in the main body of the report.

### **Risk Management**

56. The capital programme is regularly monitored as part of the corporate monitoring process. In addition to this the Corporate 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

57. The Executive is requested to:

- Recommend to Full Council the net adjustments of (£4.423m) in 2009/10, £5.324m in 2010/11 and (£0.011m ) in 2012/13 which are set out on a scheme by scheme basis in the above paragraphs and contained in Annex A.
- Recommend to Full Council the funding of Silver Street toilets from Councils resources totalling £25k.
- Note the 2009/10 revised budget of £62.956m as set out in paragraph 5 and Table 2.
- Note the slippage of £4.528m from 2009/10 to 2010/11.
- Approve the use of the contingency fund for £128k in respect of the Peasholme Improvements works.
- Note the restated capital programme for 2009/10 – 2013/14 as set out in paragraph 43, Table 13 and as set out in detail in Annex A.

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

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**Chief Officer Responsible for the report:**

Ian Floyd  
Director of Resources

**Report  
Approved**



**Date** 28/01/10

Keith Best  
Head of Finance

**Report  
Approved**



**Date** 27/01/10

**Specialist Implications Officer(s)** N/A

All  Y

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

**Background Papers:**

Budget Control 2009  
Departmental Capital Monitoring Updates

**Annexes**

Annex A – Restated Capital Programme 2009/10 to 2013/14