

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

CAPITAL PROGRAMME MONITORING 2008/09 - MONITOR 3

Summary

- 1 This report is to:
- inform Members of the likely out-turn position of the 2008/09 Capital Programme based on the spend profile and information to the end of January 2009.
 - advise Members of changes to existing schemes to allow the more effective management and monitoring of the Capital Programme.
 - inform Members of any new schemes and seek approval for their addition to the Capital Programme.

Background

- 2 The original capital programme for the financial year 2008/09 was approved at Council on 21 February 2008. A number of amendments were then approved as part of the 2007/08 outturn report and at the first and second monitors. This has resulted in a current approved Leisure & Culture Capital Programme for 2008/09 which shows gross capital expenditure of £3.857m, with £0.278m of other funding which gives a net capital programme cost of £3.579m. The table below details the approved changes to the 2008/09 capital programme since the original programme was approved in February 2008.

	Gross Spend £m	External Funding £m	Revenue Contribs £m	Prudential Borrowing £m	Capital Receipts £m
Original Capital Programme 2008/09	6.943	0.100	-	1.784	5.059
Slippage and Adjustments from the 2007/08 Outturn report	(1.300)	0.024	-	-	(1.324)
Monitor 1 Slippage and Adjustments	(0.254)	(0.020)	0.012	(0.255)	0.009
Monitor 2 Slippage and Adjustments	(1.532)	0.162	-	(1.529)	(0.165)
Current Approved Capital Programme 2008/09	<u>3.857</u>	<u>0.266</u>	<u>0.012</u>	<u>0.000</u>	<u>3.579</u>

Consultation

- 3 The capital programme has been 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.

Scheme Specific Analysis

- 4 Each major scheme in the capital programme has been reviewed to provide an assessment of its current status. Annex A shows the current approved capital programme and the projected outturn position for 2008/09, together with any slippage that is required into future financial years. Updates are only provided for significant schemes, with progress and variations explained in the following paragraphs.

York Pools and Indoor Sports Provision (Overall Scheme Cost £10.432m)

- 5 The main construction work on the new York High Pool is progressing well, with completion on schedule. The transfer of the pools share of the infrastructure works on the York High site has meant that the amount of the budget in 2008/09 is now insufficient, therefore an amount of £250k needs to be brought forward from 2009/10. At present, indications are that there is a potential overspend on the overall scheme, believed to be in the region of £40k, which is currently being investigated.
- 6 The £200k contribution currently shown in 2008/09 towards the third York Pool will now not be required in this financial year and therefore needs to be slipped into 2009/10.

Free Swimming Offer for over 60s and under 16s (£0.044)

- 7 As reported at Monitor 2, this funding is part of the government's free swimming offer, and has been made available to authorities who have chosen to offer free swimming to those aged 60 and over, and to those aged sixteen and under. This funding is available to support project development costs for bids in 2009/10 and 2010/11 from a further amount of £50m which has been made available nationally for capital projects designed to modernise pool provision, linked with the provision of free swimming. To date, no expenditure has been incurred on this scheme, therefore it is proposed to slip the budget into 2009/10.

Museum Service Heritage Lottery Bid (£1.900m)

- 8 There is an amount of £400k in the programme for 2008/09 to support three specific elements under the rolling programme of investment in the Museums Trust. Of this £400k, an amount of £200k has already been paid to the Trust to support work at the Art Gallery, and a further 100k has been paid for work at the Castle Museum. The remaining £100k has been set aside to fund work at the Yorkshire Museum and this is due to be paid over to the Trust in March 2009.

Parks and Open Spaces Section 106 Development (£0.503m)

9 Since Monitor 2 a further three payments of Section 106 receipts totalling £40k have been made to community sports organisations and parish councils for the provision of play areas and public open spaces. These include payments to Haxby Town Council (£17.8k) and Stockton-on-Forest Parish Council (£18.8k). These section 106 receipts were not previously included in the programme, therefore their addition increases the overall Parks Scheme by £40k in 2008/09.

Acomb Library (£0.653m)

10 This scheme is now complete with only the retention outstanding. This is expected to be within the remaining budget.

Corporate Priorities

11 The capital programme covered in this report has been developed through the Capital Resource Allocation Model, a tool used to allocate scarce capital resources to schemes that best meet the council's corporate priorities.

Financial Implications

12 Expenditure at the end of December totalled £2.146m, representing 55.6% of the approved budget, compared to 71.2% for the same period in 2007/08.

13 The predicted outturn for 2008/09 is £3.903m, against a current approved budget of £3.857m, a net increase of £0.046m. Annex 1 provides a complete view of the 2008/11 Leisure and Culture Capital Programme, taking into account the review of all existing schemes set out in this report.

14 The result of the amendments described above is to produce a revised capital programme for 2008/09 of £3.903m, requiring capital receipts funding of £3.379m.

Table 2 – Summary of Amendments to the 2008/11 Capital Programme

Gross Leisure and Culture Capital Programme	2008/09	2009/10	2010/11	Total
	£m	£m	£m	£m
Current Approved Capital Programme	3.857	5.244	1.100	9.915
<u>Adjustments: -</u>				
Reverse slippage on York High Pool	0.250	(0.250)	-	-
Slippage on Third Pool Contribution	(0.200)	0.200	-	-
Slippage on Free Swimming Scheme	(0.044)	0.044	-	-
Increase in Parks Section 106 Scheme	0.040	-	-	0.040
Revised Capital Programme 2008/11	3.903	5.238	1.100	9.955

Other Implications

15

- **Human Resources:** not applicable
- **Equalities:** not applicable
- **Legal:** not applicable
- **Crime and Disorder:** not applicable
- **Information Technology:** not applicable
- **Property:** not applicable

Risk Management

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

Recommendations

17 The Executive Member is recommended to: -

- note the updates to schemes as detailed above
- agree the scheme amendments and additions reported above and summarised in Annex A
- approve the revised capital programme as set out in Annex A to enable the effective management and monitoring of the capital programme.

Contact Details

Author:

Mike Barugh
Principal Accountant
Learning, Culture and Children's
Services
Tel No. 554573

Dave Meigh
Head of Parks and Open Spaces
Learning, Culture and Children's
Services
Tel No. 553386

Chief Officer Responsible for the report:

Pete Dwyer
Director of Learning, Culture and Children's
Services

Report
Approved



Date 09/03/2009

Ian Floyd
Director of Resources

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

Capital Programme 2008/09 Estimate and Monitoring Files

Annexes

Annex A - Capital Programme 2008/09 – 2010/11