

Meeting of the Community Safety Overview and Scrutiny Committee

22nd September 2009

Report of the Director of Neighbourhood Services

NEIGHBOURHOOD SERVICES CAPITAL PROGRAMME MONITOR 1

Summary

1. The purpose of this report is to:

- Inform the Scrutiny Committee of the likely outturn position of the 2009/10 Capital Programme based on the spend profile and information to June 2009;
- To notify of any resulting changes to the programme;
- Inform the Scrutiny Committee 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
Current Approved Capital Programme	4.657	2.248	2.409

*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 £4.657m, there is a predicted outturn of £6.429m, a net increase of £1.772m.
6. The net increase is composed of:
 - Proposed additional capital schemes for Air Quality Monitoring to a value of £17k in 2009/10 funded from additional grant awarded by Department for Environment, Food and Rural Affairs (DEFRA)
 - Slippage of £8k into 2010/11 on the Silver Street Toilets Scheme
 - Proposed additional capital schemes for Structural Maintenance to a total value of £1,320k in 2009/10 funded from Detrunking grant allocation from the Department of Transport
 - Transfer of budget of £443k between City Strategy and Neighbourhood Services for Structural Maintenance

7. 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	4.657	3.388	5.555	13.600	
Re-profiling:					
Air Quality Monitoring	0.017	0	0	0.017	9 - 11
Silver Street Toilets	(0.008)	0.008	0	0	17 - 19
Structural Maintenance	1.763	0.830	0	2.593	25 - 29
Revised Capital Programme	6.429	4.226	5.555	16.21	

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

8. The main highlights of this report are:

- Proposed additional capital schemes for Air Quality Monitoring to a value of £17k in 2009/10 funded from additional grant awarded by Department for Environment, Food and Rural Affairs (DEFRA)
- Slippage of £8k into 2010/11 on the Silver Street Toilets Scheme
- Transfer of budget of £443k between City Strategy and Neighbourhood Services for Structural Maintenance
- Proposed additional capital schemes for Structural Maintenance to a total value of £1,320k in 2009/10 funded from Detrunking grant allocation from the Department of Transport
- All other schemes are expected to complete on target

Scheme Specific Analysis

Air Quality Management

09/10 Budget: £33k (DEFRA Grant)

09/10 Revised budget £50k

09/10 Forecast: £50k

9. £6k of the £33k budget was carried forward from 2008/09. 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.

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

11. An additional grant of £17k has been awarded by DEFRA in August 2009.

Contaminated Land Investigation

09/10 Budget: £12k (DEFRA Grant)

09/10 Forecast: £12k

12. 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.
13. The budget of £12k was carried forward from 2008/09. It is expected that this scheme will complete in year.

Waste Infrastructure Capital Grant (WICG)

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

09/10 Forecast: £721k

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 Waste Strategy Report to Executive on the 23rd September 2008 outlined the proposals for this grant to purchase containers to extend the recycling service across the city.
16. The full grant for 2008/09 of £360k was slipped to 2009/10. It is forecasted that the full budget will be spent in year.

Silver Street Toilets

09/10 Current Budget: £308k (CYC Resources)

09/10 Forecast: £300k

17. This project is to replace Parliament Street Toilets with a purpose built modern facility that better reflects the needs of users.
18. Slippage of £247k was identified by monitor 3 in 2008/09 with an underspend of £61k at outturn requested to carry forward to 2009/10. Delays to works were due to additional steel works required, problems with floor levels and underpinning problems with stability of existing floors.
19. It is expected that this scheme will complete in the financial year with £8k slippage required to cover anticipated retention of 2.5%, which is unlikely to be due until 2010/11.

Ward Committees

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

09/10 Forecast: £56k

20. 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.

21. All schemes are expected to complete in year.

EcoDepot Security Gatehouse/Reception

09/10 Current Budget: £222k (CYC resources)

09/10 Forecast: £222k

22. 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.

23. This will address the concerns raised by the Directorate Management Team and highlighted in a report by the Freight Transport Association in respect to security and safety of our staff, visitors and the site. It will enable proper and safe management of pedestrian and vehicle traffic onto the site for our staff and visitors.

24. The scheme has not yet started however it is anticipated that this will be completed in the financial year.

Structural Maintenance – Highway Resurfacing and Reconstruction

09/10 Current Budget: £3,020k (£1,482k LTP, £1,538k CYC resources)

09/10 Revised Budget: £4,783k (£3,243k LTP, £1,540 CYC resources)

09/10 Forecast: £4,783k

25. This budget previously sat in City Strategy but was transferred to Neighbourhood Services under the recent restructure.

26. This programme is for the resurfacing and reconstruction of the City's roads and footways which has been established to halt deterioration of the assets and maintain them in the best condition possible with the level of capital funding available. This maintains the historic level of funding over and above the Local Transport Plan Settlement.

27. A change to this programme is a transfer from City Strategy to Neighbourhood Services, which was not identified in the report to Council on 26th February. This totals £443k with £441k being funded from LTP and £2k internally.

28. Further, additional Detrunking grant has been received in year from the Department of Transport in respect of the A19 for £1,320k, with a further £830k in 2010/11.

29. All schemes are expected to complete on target.

Structural Maintenance - Bridges

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

09/10 Forecast: £185k

30. This budget previously sat in City Strategy but was transferred to Neighbourhood Services under the recent restructure.
31. The budget of £185k is in relation to the Melrosegate Bridge for restoring the bridge over the Sustrans cycle track.
32. It is expected that this scheme will complete on target.

Street Light Modernisation

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

09/10 Forecast: £100k

33. This budget previously sat in City Strategy but was transferred to Neighbourhood Services under the recent restructure.
34. 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.
35. It is expected that this scheme will complete on target.

Summary

36. Adjustments to the capital programme since the approval of the capital programme at Council on 26th February meeting are:
 - £17k DEFRA grant on the Air Quality Monitoring scheme
 - £8k slippage into 2010/11 on the Silver Street Toilets Scheme
 - £1,320k in 2009/10 and £830k in 2010/11 Detrunking grant allocation
 - £443k for Structural Maintenance transfer from City Strategy

Options

37. The report is primarily an information report for the Executive Member and therefore no options are provided.

Corporate Priorities

38. 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

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

Human Resources Implications

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

Equalities Implications

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

Legal Implications

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

Crime and Disorder

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

Information Technology

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

Property

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

Risk Management

46. 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

47. That the Scrutiny Committee notes:

- The 2009/10 revised budget of £6.429m as set out in Table 2.
- The additional grants for Detrunking and Air Quality Monitoring
- Transfer of £443k from City Strategy for Structural Maintenance
- The slippage of £8k on Silver Street Toilet into future years

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

Contact Details

Author:

*Rachel Harrison
Finance Manager
Neighbourhood Services
Tel No.5533210*

Chief Officer Responsible for the report:

Sally Burns
Director Neighbourhood Services

**Report
Approved**



Date 10 September 2009

Specialist Implications Officer(s)

N/a

Wards Affected:

All

For further information please contact the author of the report

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