

Executive

20 July 2010

Report of the Director of Customer and Business Support

CAPITAL PROGRAMME OUTTURN 2009/10 AND REVISIONS TO THE 2010/11 – 2014/15 PROGRAMME

Report Summary

1. The purpose of this report is to:
 - Highlight significant achievements from the Councils capital programme for 2009/10 along with the final outturn position;
 - 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.
 - Inform Members of the funding position of the capital programme.
 - Provide an update on future years capital programme.

Consultation

2. 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 the 2009/10 Capital Programme

3. 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 and 3 reports. The changes made as result of the above papers have resulted in a current approved capital programme for 2009/10 of £62.956m,

financed by £35.095m of external funding, and internal funding of £27.861m. Table 1 illustrates the movements from the start budget to the current approved position at monitor 2.

	Gross Budget £m	External Funding £m	Internal Funding £m
Original Budget Approved by Council at 26 Feb 2009*	64.255	39.483	24.772
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)
Amendments from 2009/10 Monitor 3 report	4.423	(0.642)	(3.781)
Current Approved Capital Programme*	62.956	35.095	27.861

Table 1 Current Approved Programme

4. Capital expenditure in 2009/10 totalled £58.480m. The capital programme spend represents the second largest capital programme delivered by the City of York Council marginally behind last years figure of £58.536m. It should be noted that effective management of the capital programme has resulted in the overall level of variance being controlled resulting in minimal variations over the course of the year against the outturn of £58.480m and essentially all the minor variations on specific schemes result in only a small increase in Council resources required (£107k).
5. Figure One illustrates the increase in capital programme size since 1999/00, during which time it has risen from £19.5m to this years outturn of £58.480m.

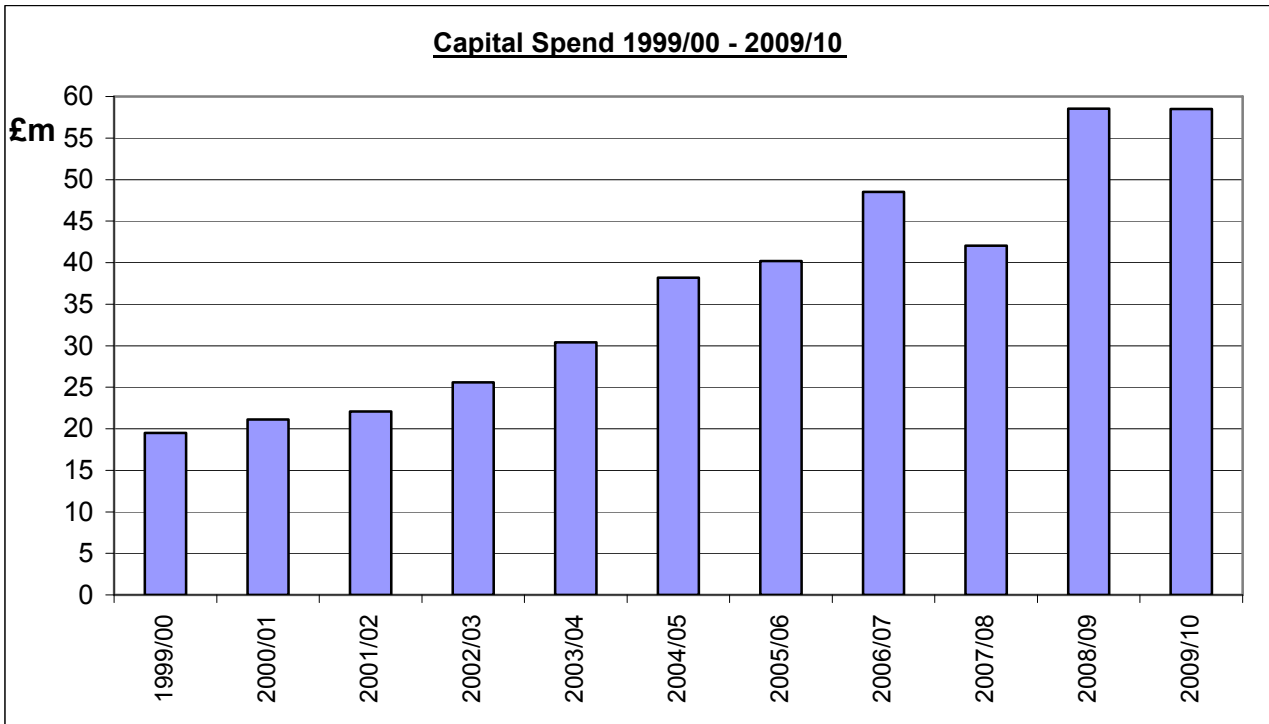


Figure 1: CYC Capital Programme Expenditure 1999/00-2009/010

6. Figure 2 shows the 2009/10 £58.480m expenditure split by departments.

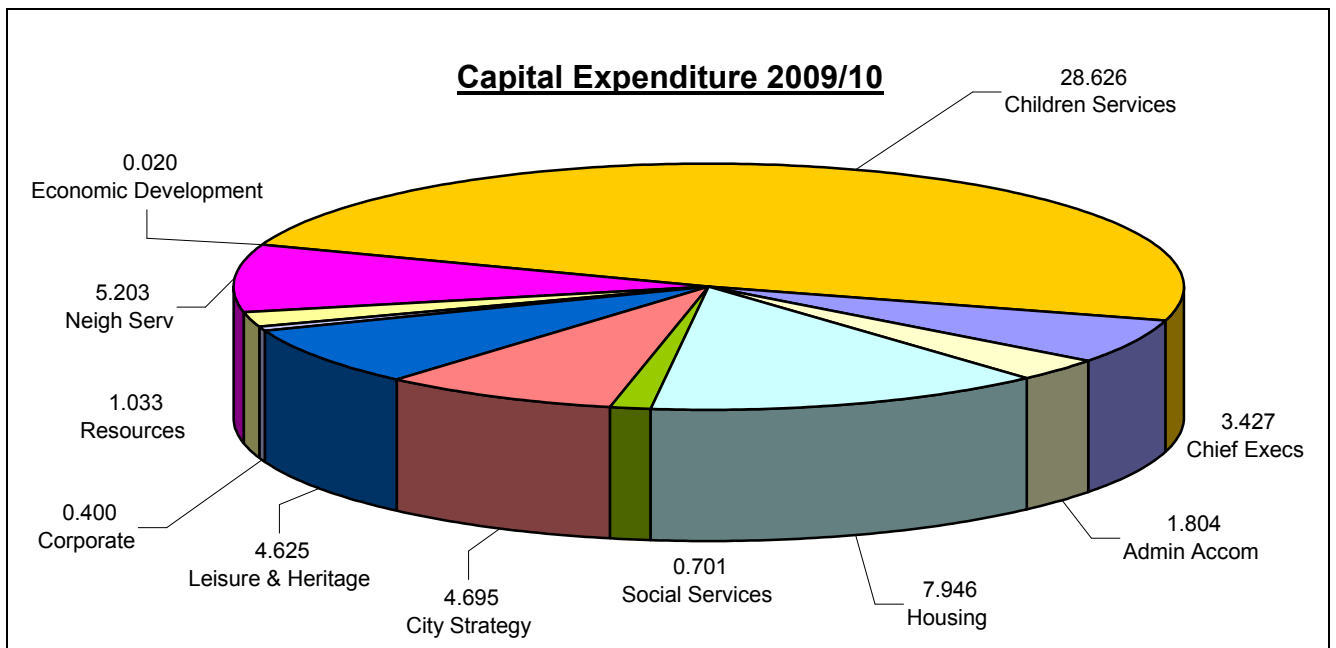


Figure 2 Capital Outturn by Department 2009/10

Key Outcomes

7. The 2009/10 capital programme has contributed toward the Corporate Strategy. Overall the Council has been successful in the delivery of a large capital

programme that including a number of complex schemes. Examples of the success in 2009/10 are shown below:

- a. Works totalling £1.050m 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. Capital spend of £3.284m 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 has brought 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 £29m Joseph Rowntree Secondary school opened in March 2010, the design for which has won a major national award for 'Most Versatile Learning Environment'. The 2009/10 spend is over £16.9m.

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. Pictures of the completed school are shown in image 3.1 – 3.4.



Image 3.1



Image 3.2

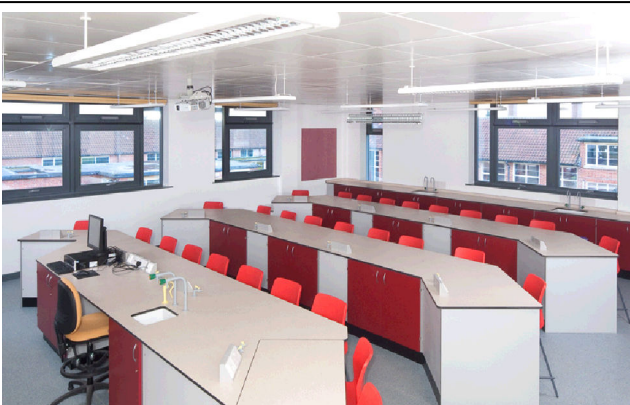


Image 3.3



Image 3.4

- 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 Edmund Wilson and Oakland's 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.

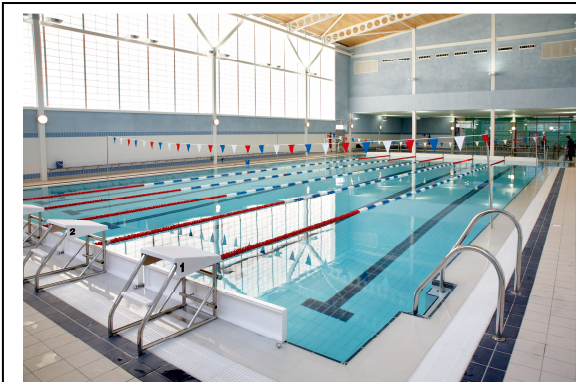


Image 4.1 Swimming Pool in the Energise Centre



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 was be reopened at the start of April.

These works have made York Library, shown in image 5.1, a more welcoming and accessible location creating a suite of rooms within the library that are dedicated to learning. The explore centre supports community based learning which will specifically benefit black and minority ethnic groups with English as a second language. A wide range of activities have been put be put in place to support literacy and the studies of children and young people. An improved health information section is 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 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 Interior of the 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.



Image 6.1 Current road layout of Fulford Road between Heslington Lane and Hospital Fields Road



Image 6.2 Improved section of Fulford Road between Cemetery Road and Hospital Fields Road

- g. 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 was 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.

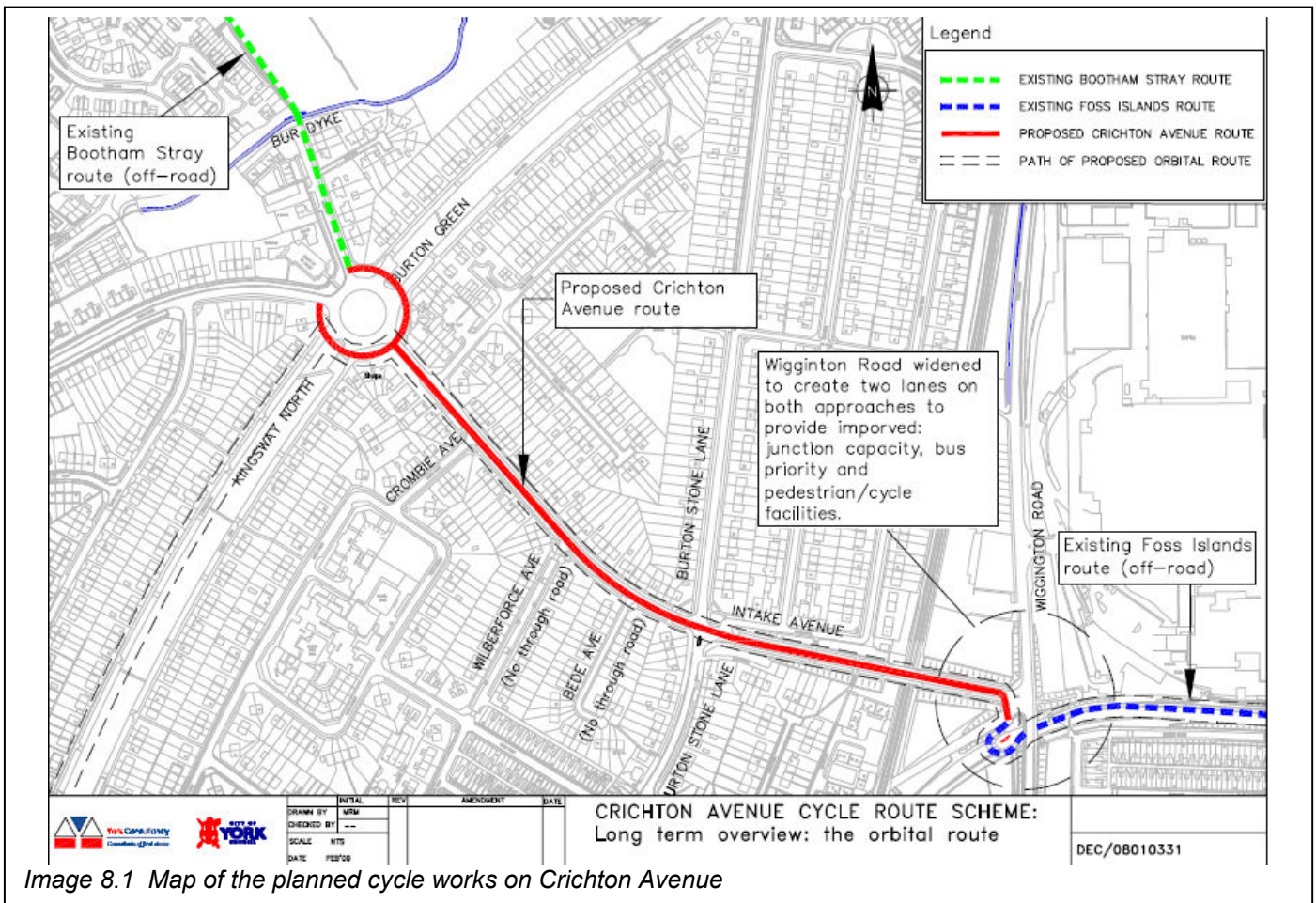


Image 8.1 Map of the planned cycle works on Crichton Avenue

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

2009/10 Capital Programme Outturn and Overview

8. The 2009/10 capital outturn of £58.480m represents an under spend of £4.399m against the restated budget of £62.879m, a variance of 7.0%.
9. There are requests for budgets to be carried forward (re-profiled) in to future years totalling £4.905m. Further details are provided in the following departmental analysis paragraphs. The total variances for individual committee capital programmes along with requests for re-profiling and other key information are highlighted in Table 2.

Committee	Budget Mon 3	Revised Budget	Outturn	Variance	(Under) /Over	Slippage
	£m	£m	£m	£m	£m	£m
Children's Services	30.428	30.587	28.626	(1.961)	0.000	(1.961)
Leisure and Culture	4.833	4.935	4.625	(0.310)	0.110	(0.420)
City Strategy	5.215	4.884	4.695	(0.189)	(0.084)	(0.105)
City Strategy (Economic Development)	0.113	0.113	0.020	(0.093)	0.000	(0.093)
Housing	8.714	7.937	7.946	0.009	0.061	(0.052)
Neighbourhood Services	5.041	5.805	5.203	(0.602)	0.004	(0.606)
Resources	1.761	1.771	1.033	(0.738)	0.015	(0.753)
Chief Executive	4.008	4.137	3.427	(0.581)	0.000	(0.710)
Adult Social Services	0.781	0.776	0.701	(0.075)	0.000	(0.075)
City Strategy (Admin Accom)	1.874	1.874	1.804	(0.070)	0.000	(0.070)
Miscellaneous	0.188	0.060	0.000	(0.188)	0.000	(0.060)
Subtotal	62.956	62.879	58.080	(4.798)	0.106	(4.905)
Equal Pay Capitalisation	0.000	0.000	0.400	0.400	0.400	0.000
Total Capital Budget	62.956	62.879	58.480	(4.398)	0.506	(4.905)

Table 2 –Approved Budget vs. Outturn & Requests for Slippage

10. The revised budget takes account of the additional external funding received between monitor 3 and the outturn report and has therefore been represented to show the true outturn position against budget. For example the revised budget in the case of Neighbourhood Services shows a significant increase of £764k which reflects the use of LPSA funds to capitalise costs which had previously been charged to revenue but where of a capital nature. In relation to the reduction in Housing, this represents the reduction in MRA schemes which included an over provision for works outstanding relating to the previous year. In relation to the movement on Chief Executives and Miscellaneous this contains the approved funding from monitor 3 for use of contingency funds.
11. It should be noted that the capital programme currently contains over 100 individual schemes as reported in Annex 1. Of these 102 schemes many are comprised of numerous smaller schemes such as NDS devolved capital, NDS modernisation, Highways Resurfacing and Reconstruction and MRA schemes.
12. As table 2 highlights the Council delivered a major capital programme containing a number of complex schemes very close to budget. Through careful and proactive management of the capital programme the overall level of variance is minimal over the course of the year against the outturn of £58.480m and essentially all the minor variations on specific schemes result in a small increase in Council resources required (£107k).
13. The detail that explains the under and overspends and the slippage are set out in the paragraphs below. All the explanations are based on movement against the approved monitor 3 position.

Children's Services (Budget £30.428m, Outturn £28.626m)

14. The outturn of the 2009/10 Education Capital Programme is £30.428m against a budget of £28.626m. The detail relating to each individual scheme is shown in Annex A and the variance of £1.802m is attributable to a number of schemes the main ones as detailed below.
15. Some NDS modernisation schemes, particularly the AMP schemes require re-profiling into 10/11, total to be re-profiled is £154k.
16. Some schemes under the Schools Access Initiative project will not be complete until 10/11 requiring c£237k to be re-profiled.
17. A number of schemes under the Extended Schools project are still in retention requiring £147k to be re-profiled.
18. Less expenditure than profiled has been committed specifically in relation to fees on the Primary School Capital programme, this has resulted in £313k being required to be re-profiled into 10/11.
19. The Fulford School Science Labs and Classrooms Scheme is in retention, an under spend position is expected but not yet finalized therefore £240k requires re-profiling into 10/11.
20. The Children's Centres Phase 3 schemes has seen the completion of work on the Knavesmire Centre but expenditure on satellite centres which this grant is also supporting will now be in 2010/11. Therefore £146k requires re-profiling into 10/11.
21. The Joseph Rowntree One School Pathfinder School successfully opened, but due to delay on ICT works and final parts of contract work re-profiling of £1.006m is required into 10/11.
22. Some funding in relation to the City-Wide Diploma Exemplar Facility at Manor School requires re-profiling due to the second contribution of £500k not being requested by diocese, therefore £500k will need re-profiling to 10/11.
23. A number of schemes have under and overspends which are in the main funded by external grants. However the exception to this is the Integrated Children's Centres that has used none CYC funding to finance the expenditure resulting in a reduction in CYC resources required of £138k.

City Strategy (Budget £5.215, Outturn £4.695m)

24. The outturn of the City Strategy Capital Programme is £4.695m against a budget of £5.215m. The variances for all schemes are contained in Annex A but the major variations are highlighted in the paragraph below.
25. The LTP schemes had an outturn position of £3.2m against a budget of £3.75m, the reduction being attributable to Hopgrove roundabout being funded by

Highway Agency resulting in scheme specific under spend of c£300k with a large proportion of this being used to fund c£250k of Highways Resurfacing and Reconstruction maintenance schemes and other minor schemes resulting a net nil movement.

City Strategy Administrative Accommodation (Budget £1.874, Outturn £1.804m)

26. The outturn figure of £1.804m for administrative accommodation against a budget of £1.874m. The requirement to re-profile budget to 10/11 is a result of changes in the property exit strategy that have led to delays in the implementation of the planned programme of works to the retained property portfolio.

Economic Development (Budget £113k, Outturn £20k)

27. The outturn of the Economic Development Programme is £20k against a budget of £113k. The variance of £93k is attributable to both the Small Business Workshops and the Visitor Information Centre.
28. The £58k budget for the Small Business Workshops which opened in September 2008 is still required to fund the disposal of the original site at Parkside once a decision on its future has been made and in the meantime the budget will need to re-profiled into 2010/11.

Housing Services (Budget £8.714m, Outturn £7.946m)

29. The 2008/09 Housing Services Capital Programme outturn was £7.946m against a budget of £8.714m. The reasons for the net under spend of £768k is set out below.
30. Schemes under the Major Repairs Allowance heading have under spent by £790k against budget of £5.176. The under spend is attributable to due to previous over provision for spend in previous years placing less pressure on 09/10 budgets and not all elements being required in Tenants Choice programme (e.g. the level of rewiring, new bathrooms and kitchens required to be fitted was lower than initially assumed). The Heating renewal programme under spent due to tighter control on the budget until number of referrals could be more accurately gauged and managed
31. A minor overspend in relation Housing Grants & Associated Investment as a result of the increase in successful applications for housing grants saw an increase of £52k that was offset by the increase in receipts of loan repayment.
32. The Energy Conservation in Homes scheme requires some funding re-profiling into 10/11 as a result of the contractors being unable to complete all scheduled work schemes nearing year end.

Leisure and Culture (Budget £4.833m, Outturn £4.625m)

33. The outturn of the Leisure and Culture Programme is £4.625m against a budget of £4.833m. The reasons for the variance of £208k are set out below.

34. The new Energise facility is now fully operational. As has been reported throughout the year, the Final Account on the scheme has still not been settled and is in dispute, therefore the full final cost is not known yet. In relation to 09/10 known additional costs of £102k have been incurred, and the final position will be reported in due course once the outcome is known.
35. The York Explore centre project encountered delays toward the end of the year resulting in an in year under spend with funding of £286k being required to be re-profiled into 10/11.

Neighbourhood Services (Budget £5.041m, Outturn £5.203m)

36. The outturn of the Neighbourhood Services capital programme is £5.203m against a budget of £5.041m. The net variance of £162k is attributable in the main to two schemes that require re-profiling.
37. In relation to Highway Resurfacing and Reconstruction additional Detrunking grant was received in year from the Department of Transport in respect of the A19 for £1,320k, with a further £830k in 2010/11. Phase 1 of the scheme, drainage works, was started towards the end of 2009/10 but not completed therefore £110k of the LTP funding for phase 1 needs to be re-profiled into 2010/11. The Haxby Road scheme to resurface the road near Joseph Rowntree School was scheduled for 2009/10 however this was not possible at a time when heavy plant was still accessing the site to complete the school project. As a result of this funding of £150k needs to be re-profiled into 2010/11. Works were planned for Boroughbridge Road/Water End as part of the Access York scheme (new Park and Ride schemes). Part of the programme of works for maintenance by Neighbourhood Services in 2009/10 was to resurface Boroughbridge Road in the same location. To operate in conjunction with the Access York scheme the works were delayed, after approval at monitor 2, until 2010/11 in order to carry out both sets of work at the same time to minimise duplication and disruption. Funding was retained in year to fund other schemes however these have not gone ahead therefore it is the funding of £150k for the Borough Bridge Road scheme will need to be re-profiled to 10/11. At monitor 2 it was also proposed that the Saxford Way scheme in the advanced programme for 2010/11 be brought forward. This scheme has however not gone ahead therefore the funding of £24k needs to be re-profiled into 2010/11. Overall £434k in relation to this scheme requires re-profiling.
38. The Waste Infrastructure Capital Grant was a new grant from DEFRA in 2008/09 covering 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. 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 and £246k was slipped at monitor 3. As a result £85k of the 09/10 budget will require re-profiling into 10/11 to complete the rollout.

Resources (Budget £1.761m, Outturn £1.033m)

39. The Resources outturn was £1.033m, against a budget of £1.761m.
40. The variation is a result of an officer decision to delay HR / Delphi replacement project expenditure to 2010/11 - £390k, and 6 other smaller 2009/10 IT Development projects. In addition a revenue contribution to capital was agreed at year end for £82k.

Adult Social Services (Budget £0.781m, Outturn £0.701m)

41. The outturn of the Social Services capital programme is £0.701m against an approved budget of £0.781m. The variances in the main are requests for re-profiling of budgets into 10/11 in relation to Information Management Improvements and Adults Social Care IT grant.

Chief Executives (Budget £4.008m, Outturn £3.427m)

42. The outturn of the Chief Executives Programme is £3.427m against a budget of £4.008m. The reasons for the net under spend of £581k are set out below.
43. Both Property Key Components (H&S) and Health & Safety / DDA schemes are experiencing delays but are all committed. Some projects with each scheme form part of larger capital programme schemes. As a result of the delays, £185k will need re-profiling into 10/11.
44. Due to delays encountered at foundation stage and later due to adverse weather conditions the project is now scheduled for completion by end of July 2010. As a result of this £180k will need re-profiling into 10/11.
45. The Urgent River Bank Repairs scheme work was suspended due to poor weather conditions and high river levels. Anticipated work will be complete by end of July 2010 and as result budget of £80k will need re-profiling to 10/11.
46. The Slipways scheme did not progress as planned in year due to high river levels and weather hampering ground investigation and survey work. As a result, £134k will need re-profiling into 10/11.

Equal Pay Capitalisation (Outturn £0.400m)

47. The costs of settling equal pay claims and job evaluation represents a significant cost pressure to Council's across the country. The government have recognised this and have allowed Council's with a low reserve base to bid to capitalise some of the equal pay costs. The Council have been successful in their bid and have been issued with a capitalisation directive which allows the capitalisation of £400k of 09/10 costs which would otherwise have to be met from revenue funds. The Council will prudentially borrow the £400k to finance the expenditure. The

borrowing has to be repaid at a minimum rate of 4% per annum. However, it is more prudent to repay the debt over a shorter period of time, and it is proposed that it is repaid over 7 years, which is consistent with the Council's past treatment of such debt. The annual revenue costs of repayment will be £68k per annum.

Funding the 2009/10 Capital Programme

48. The 2009/10 capital programme of £58.480m has been funded from £32.988m external funding and £25.492m of internal funding. The internal funding includes resources such as revenue contributions, Supported Capital Expenditure, capital receipts and reserves.
49. Receipts in year were significantly down on original forecast levels. The capital programme projection required receipts c£14.7m to fund both the delay in receipts in 08/09 and the in year supported by receipts in 09/10. Against this targeted figure £1.521m was realised and other minor receipts such as Home Appreciation loans were applied resulting in a total applied receipts figure of £1.727m.
50. Due to the lower than anticipated level of capital receipts realised in year, prudential borrowing has been used on a temporary basis as a replacement resulting in an increased cost to the revenue budget. The revenue implications of this were included in the treasury management section of the Year End Financial and Performance Report 2009/10. The use of prudential borrowing is a way of protecting the values of the surplus assets by allowing the Council not to dispose of assets at a time when the property market is depressed and therefore means that the Council can sell its surplus assets when the market is more favourable. Although there is a short term cost of using this strategy overall it optimises the funding position given the current financial environment.
51. The overall funding position continues to be closely monitored to ensure the overall capital programme remains affordable and is sustainable over the 5 year approved duration.

Update on the 2010/11 – 2014/15 Capital Programme

52. Table 3 shows the revised start budget for 2010/11 – 2014/15 by portfolio (under the old headings, the new directorate headings shall be reflected as part of monitor 1 2010/11 report) taking into account the requests for slippage arising from the 2009/10 programme. If the slippage is approved the total capital programme for 2010/11 will be c£82m. This is a significant increase against the current 2009/10 programme but included within the figure are a large number of high value schemes including the Primary School Strategic Programme at £7.8m, City Wide Diploma scheme at £3.0m, York Pools Strategy £2m (this is not including the additional £1m of funding), Highways R&R at £5.1m, LTP at £4.4m, Access York Phase 1 at £7.4m (note funding suspended until Autumn spending review), Admin Accommodation at £12.8m and a housing capital programme of c£10m.

53. The Council disposed of the freehold interest in Former Youth Club Premises – Strensall, which had been declared surplus to the Council’s service requirements resulting in a capital receipt. As part of this report it is requested that the Executive approve from contingency £25k in 2010/11 to support the Strensall Parish Council in seeking to provide youth facilities elsewhere in Strensall.
54. The restated capital programme for 2010/11 to 2014/15 split by portfolio is shown in table 3. Given that the budgets for Government Departments are not known going forward over this time period it should be noted that the level of capital investment may be lower than the figures currently estimated in table 4. The individual scheme level profiles can be seen in Annex 1.

Portfolio by Department	2010/11 Budget	2011/12 Budget	2012/13 Budget	2013/14 Budget	2014/15 Budget	Total Budget
	£m	£m	£m	£m	£m	£m
Children’s Services	28.759	10.715	10.715	10.715	10.715	71.619
Strategy	14.101	19.738	4.833	3.617	0.090	54.389
Strategy Admin Accommodation	12.807	12.304	13.377	0.000	0.000	38.488
Strategy Community Premium	0.000	4.000	0.000	0.000	0.000	4.000
Economic Development	0.093	0.000	0.000	0.000	0.000	0.093
Engineering	10.055	9.425	9.028	10.923	8.722	48.153
Leisure and Culture	4.402	0.490	0.510	0.000	0.000	5.402
Neighbourhood Services	6.376	5.635	3.220	3.308	3.401	21.940
Of Executives	2.046	1.330	0.000	0.000	0.000	3.376
Resources	1.894	1.000	1.000	1.000	1.000	5.894
Special Services	0.876	0.235	0.245	0.255	0.255	1.866
Contingency/Other	0.570	0.000	0.000	0.000	0.000	0.570
Total	81.979	64.872	43.008	29.818	24.183	243.858

Table 4 – Restated Capital Programme 2009/10 to 2013/14

55. Members will note from Table 4 that the size of the capital programme as presented gradually reduces after 2010/11. The decline is a reflection of a number of larger schemes reaching completion over the next three years such as the completion of the Admin Accommodation project and. From 2011/12 onwards the funding position for Services capital programmes are not known and as a result the scheme values shown are based on current estimates. It should be noted given the current financial environment that these funding are likely to be overstatements as they presently are presented and will be updated to reflect all latest known information as it becomes available. Annex 1 shows the individual schemes that make up the totals for each department shown in table 4. Note the annex also includes the 09/10 outturn position for each scheme.
56. Table 5 shows the projected call on Council resources going forward.

	2010/11	2011/12	2012/13	2013/14	2014/15	Total
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	£m	£m	£m		£m	£m
Gross Capital Programme	81.979	64.872	43.008	29.818	24.183	243.860
Funded by						
External Funding	42.232	32.677	18.225	18.575	16.899	128.608
Council Controlled Resources	39.747	32.195	24.783	11.243	7.284	115.252
Total Funding	81.979	64.872	43.008	29.818	24.183	243.860

Table 5 - 2010/11 –2014/15 Capital Programme Financing

a.

57. The Council controlled figure is comprised of a number of resources that the Council has ultimate control over how it chooses to apply them, these include Right to Buy receipts, Revenue Contributions, Supported (government awarded) Borrowing, Prudential (Council funded) Borrowing, Reserves (including Venture Fund) and Capital Receipts.
58. It should be recognised that capital receipts which form part of the Council Controlled Resources should be considered at risk of not being realised within set time frames and to estimated values until the receipt is received. The capital programme is predicated on a small number of large capital receipts, which if not achieved would cause significant funding pressures for the programme. The Director of Customer and Business Support closely monitors the overall funding position to ensure that the over the full duration of the capital programme it remains balanced, any issues with regard to financing will be reported as part of the standard reporting cycle to the Executive.
59. It should be noted that due to no additional surplus assets being identified for disposal to support future capital investment (above those already earmarked) any future pressure on the capital programme will need to be met using prudential borrowing. The use of prudential borrowing will result in revenue pressures as the council will incur interest charges on the borrowed amount and will need to make a provision to repay the borrowing.
60. An update on the overall financing position will be provided as part of the 2010/11 Capital Programme Monitor¹ report.

Corporate Objectives

61. All schemes approved as part of the capital programme have been scored through the Capital Resource Allocation Model (CRAM), which rigorously evaluates scheme submissions against key corporate objectives and national government priorities.

Financial Implications

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

Human Resources Implications

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

Equalities Implications

64. The capital programme seeks to address key equalities issues that affect the Council and the public. Schemes that address equalities include the Disabilities Support Grant, the Schools Access Initiative, the Community Equipment Loans Store (CELS) and the Disabilities Discrimination Act (DDA) Access Improvements. The Easy@York project is also aimed at improving access to Council services for all residents.

Legal Implications

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

Crime and Disorder

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

Information Technology

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

Property

68. The property implications of this paper are included in the main body of the report which covers the funding of the capital programme from capital receipts.

Risk Management

69. 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 schemes to ensure that all capital risks to the Council are minimised.

Recommendations

70. The Executive is requested to:
- Note the 2009/010 capital outturn position and approve the requests for slippage to and from the 2010/11 capital programme.
 - Approve the restated 2010/11 to 2014/15 programme as summarised in Table 4 and detailed in Annex 1.
 - Approve the use of £25k contingency to support the Strensall Parish Council in seeking to provide youth facilities in Strensall.

- Recommend to Full Council the use of Prudential Borrowing to fund the Equal Pay Capitalisation costs of £400k

Reason:

- To allow the continued effective financial management of the capital programme from 20010/11 to 2014/15.

Contact Details

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Chief Officer Responsible for the report:

Ian Floyd
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**Report
Approved**

tic
k

Date 02/07/2009

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Support
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Keith Best
Head of Finance
Customer and Business Support

**Report
Approved**

tic
k

Date 02/07/2009

Specialist Implications Officer(s)

None

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

All *tick*

For further information please contact the author of the report

For further information please contact the author of the report
Background Papers 2009/10 monitoring working papers and respective DMT reports
(where applicable).

Annex 1 – Capital Programme by year 2009/10 – 2014/15