

**Executive**

**27 June 2019**

Report of the Director of Customer and Corporate Support Services  
(Deputy Chief Executive)  
Portfolio of the Executive Member for Finance & Performance

## **Capital Programme Outturn 2018/19 and Revisions to the 2019/20 – 2023/24 Programme**

### **Report Summary**

1. The purpose of this report is to set out the capital programme outturn position including any under or over spends, overall funding of the programme and an update as to the impact on future years of the programme.
2. The report shows an outturn of £77.402m compared to an approved budget of £106.291m, an overall variation of £28.889m.
3. The net variation of -£28.889m is made up as follows:
  - Requests to re-profile budgets of a net -£29.516m of schemes from 2018/19 to future years (currently approved budgets in the capital programme but requires moving to or from future years in line with a changing timetable of delivery for individual schemes)
  - Adjustments to schemes increasing expenditure by a net £0.627m.
4. The level of re profiling reflects the scale of the capital Programme, and in particular that it contains a number of major and complex projects. The overall capital Programme continues to operate within budget, due to careful management of expenditure against the budget.

5. The main areas of re-profiling included within the £29.516m include:

- £3.3m – *Electric Bus scheme*
- £2.931m – *Extension to Marjorie Waite Court*
- £2.333m – *Duncombe Barracks*
- £1.924m – *Commercial property acquisition*
- £1.500m – *Lowfield Housing*
- £1.745m – *James House*
- £1.435m – *IT development Plan*
- £975k – *DfE Maintenance*
- £933k – *York Central*
- £856k – *Community Stadium*

## **Recommendations**

6. The Executive is requested to

- Note the 2018/19 capital outturn position of £77.402m and approve the requests for re-profiling totalling £29.516m from the 2018/19 programme to future years.
- Note the adjustments to schemes increasing expenditure in 2018/19 by a net £0.627m
- Note the adjustments to schemes increasing expenditure in future years totalling £2.285m
- Agree to increase the Lowfields Housing Site budget by £4.1m funded from market sales receipts as set out at para 35
- Agree to appropriate HRA land to the General Fund for the development of Ashfield Football pitches at a market value of £25,285 as set out in Para 38
- Agree to draw down £213k from the 2019/20 capital contingency budget of £765k towards the additional cost of the two replacement cremators as detailed at paragraph 68.
- Approve the proposed addition YCK financial support towards continued first team playing arrangements at Bootham Crescent during the 2019 Rugby League Season, amounting to a net cost of £15,000 funded from the existing Project budget;
- Recommend to Full Council the restated 2019/20 to 2023/24 programme of £617.810m as summarised in Table 3 and detailed in Annex A

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

## Consultation

8. The capital programme was developed under the Capital Budget process and agreed by Council on 22 February 2018. 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

9. A net decrease of £28.889m is detailed in this monitor resulting in a revised capital programme of £77.402m. There is an increase of £627k in 2018/19 attributable to the net effect of additional grant received in year. This is offset by a £29.516m decrease in 2018/19 due to re-profiling of budgets to future years.

10. Table 1 outlines the variances reported against each portfolio area.

Department	Current Approved Budget £m	Projected Outturn £m	Increase (decrease) £m	Reprofile £m	Total Variance £m	Paragraph Ref
Children, Education & Communities	7.067	5.342	<b>0.709</b>	<b>(2.434)</b>	<b>(1.725)</b>	12-19
Health, Housing & Adult Social Care – Adult Social Care	4.199	2.898	<b>(0.817)</b>	<b>(0.484)</b>	<b>(1.301)</b>	20-23
Health, Housing & Adult Social Care – Housing & Community Safety	26.957	17.187	<b>0.687</b>	<b>(10.460)</b>	<b>(9.773)</b>	24-46
Economy & Place – Transport, Highways & Environment	29.415	21.246	<b>0.107</b>	<b>(8.276)</b>	<b>(8.169)</b>	47-61
Economy & Place – Regeneration & Asset Management	10.179	6.227	<b>0.011</b>	<b>(3.963)</b>	<b>(3.952)</b>	62-68
Community Stadium	23.442	22.586	-	<b>(0.856)</b>	<b>(0.856)</b>	77-85
Customer & Corporate services	1.608	0.040	<b>(0.080)</b>	<b>(1.488)</b>	<b>(1.568)</b>	69-73
IT Development Plan	3.424	1.879	<b>10</b>	<b>(1.555)</b>	<b>(1.545)</b>	74-76
<b>Total</b>	<b>106.291</b>	<b>77.402</b>	<b>0.627</b>	<b>(29.516)</b>	<b>(28.889)</b>	

**Table 1 – Summary of capital outturn by department**

11. The following paragraphs set out the main variances and the requirements for re-profiling above £100k. All other variations below £100k are shown in the accompanying annex. All the explanations are based on movement against the approved monitor 3 position.

### **Children, Education & Communities**

12. Capital Expenditure within the Children, Education & Communities service area totalled £5.342m in 2018/19.
13. Total capital expenditure on DfE Maintenance schemes and Schools Electricity supply upgrade totalled £2.044m in 2018/19. This expenditure funded a number of significant repairs at Maintained schools across the city including major works at Huntington School, comprising Phase 3 of a major rewiring programme, Phase 1 of a window replacement programme and the installation of a replacement heating system in the sports hall and gym were completed during the summer with further rewiring work and a curtain wall replacement carried out in the autumn.
14. The refurbishment of Dringhouses Primary, comprising some re-roofing works, hall window replacement and a new boiler which was replacing an oil-fired system with gas was all completed over the summer of 2018
15. Smaller schemes were carried out at Fishergate, Headlands, Ralph Butterfield, Skelton and Yearsley Grove Primaries., with all work completed over the summer holidays
16. Phase 1 of the expansion work at St Mary's Primary was completed on schedule in time for the start of the 2018/19 academic year, with expenditure on the scheme totalling £377k during the year. This first phase consisted of a classroom reorganisation, also encompassing the reorganisation of toilets and cloakrooms to create much needed additional classroom space. Phase 2 is now scheduled for summer 2019, therefore funds of £223k have been transferred into 2019/20.
17. The Centre of Excellence for Disabled Children (Lincoln Court) scheme has been amended to reflect the receipt of an additional capital grant from NHS England of £254k towards the cost of the

scheme. This expenditure in 2018/19 was less than the amount predicted when the scheme was originally profiled, therefore the remainder has been transferred into 2019/20

18. Total Funds of £156k have been spent within the scheme for the Expansion and Improvement of Facilities for Pupils with SEND on works including internal alterations at Hob Moor Oaks to help in accommodating increased numbers of pupils in September. These were completed before the start of the autumn term. A large proportion of this work is still in the planning stages therefore funds of £115k have been transferred into 2019/20.
19. A capital grant of £200k was provided to York Museums Trust to enable the Trust to develop a major capital refurbishment scheme as part of the initial development phase, taking the scheme to funding application stage.

### **Health, Housing & Adult Social Care – Adult Social Care**

20. Capital Expenditure within the Adult Social Care service area totalled £2.898m in 2018/19.
21. Expenditure of £2.176m on the Older Persons Accommodation has led to a number of outcomes during the year. The Centre@Burnholme completed in May 2018, and is leased to Explore York who manage the building and room bookings. In accordance with the Executive approval to close Burnholme Community College, those existing users (Burnholme Nursery, York Community Church and Tang Hall SMART), have been supported to stay at Burnholme and now occupy modern, fit for purpose spaces in the new building. The Centre now also provides permanent bases for Healthwatch, York Learning and United Response, and Jorvik radio station will shortly be broadcasting from the site. The library and reading cafe attract a large number of customers, including mothers with young children, students and young people from Applefields school. The various meeting rooms and activity spaces have also been popular with community groups as well as the public and private sector and are fully booked out on certain days of the week. This, together with a range of events and activities in the hall, demonstrate the benefits of the building and its contribution to social cohesion in the Tang Hall/Heworth area.

22. The council has been successful in receiving £1.466m Accelerated Housing Delivery Funding to fund enabling works at Lowfield prior to the delivery of the housing scheme. These works include site clearance, sewer diversion works, provision of access road and design fees, in advance of the appropriation of the land into the HRA. The enabling works budget is part of the wider OPAP review budget at Lowfields and £392k of this grant has been utilised in 2018/19. The work is continuing in to the new financial year and the remaining grant of £1.074m will be received in 2019/20, as such the budget requires increasing to reflect this grant.
  
23. The disability support budget had an outturn position of £227k in 2018/19 which enabled the council to maintain a flexible approach towards supporting residents to remain in their own home or relocate to a more suitable property. The council provides funding above the disabled facilities grant current maximum of £30k through the use of interest free loans and/or home appreciation loans, both are which funded from the DSB budget. One such case was an applicant a father with a young family requiring extensive work to enable them remain in their family home. A scheme costing nearly £57.5k was funded using a combination of all three funding streams. By funding this extension the applicant was able to access his home, and have wheel chair access in and around the ground floor of the main home and a ground floor bedroom with accessible bathing and toileting facilities

### **Health, Housing & Adult Social Care – Housing & Community Safety**

24. Capital Expenditure on schemes within the Housing & Community Safety service area totalled £17.184m in 2018/19.
  
25. The Local Authority Homes Phase 1 scheme has a capital outturn position of £634k in 2018/19. Phase 1 of the new council house building programme is nearing completion with 88 new affordable homes being completed across sites at Beckfield Lane, Pottery Lane, Fenwick Street, Archer Close, Hewley Avenue & Glen Lodge. In addition 12 shared ownership homes have been acquired across the city with a further 53 planned to be purchased in this programme.

Receipts from the sale of six shared ownership homes are required to be reinvested in to the programme and will increase the budget by £648k.

26. The final properties in this phase at Newbury Avenue & James House will all be completed in 2019/20, and Marjorie Waite Court will be completed in Winter 2020, providing a further 43 additional units
27. A proposed development of five houses at Chaloners Road has not been progressed due to the cost of flood mitigation measures and the refocusing of capital funding into the council's Housing Delivery Programme of over 600 homes across 8 much larger sites. Design and survey costs of £265k have been written off as abortive costs to the Housing Revenue Account. Officers will present alternative options for the site in due course.
28. At Newbury Avenue an approved scheme for 9 flats was reconsidered following representations on local housing need and replaced instead with a development of 5 bungalows. Costs of £156k associated with the flatted scheme were incurred therefore have now been written off to the Housing Revenue Account. These costs can be contained within the overall budget for the Newbury site. The contractor for the bungalow scheme is on site and due to complete in August 2019
29. The construction of the 27 home extension to Glen Lodge Extra Care facility in Heworth was completed in October 2017 and additional works to upgrade the older wing of the building to better integrate it with the newly developed units and enhanced communal dining facilities has been taking place throughout 2018/19. This scheme is expected to underspend by c£154k and these funds will be transferred to phase 2 of the council house building programme along with any other underspends from phase 1.
30. The show apartment is completed at James House and the offices and apartments are progressing well with all external works nearing completion. There have been delays on site due to asbestos finds and unforeseen additional works therefore funds of £1.749m have been transferred into 2019/20.
31. Work started in March 2019 on the extension of Marjorie Waite Court to create 29 new apartments, four bungalows and a community hall.

This work is due for completion in November 2020 therefore funds of £2,931k have been transferred into 2019/20.

32. The increased budget for the redevelopment and extension of Lincoln Court was agreed in March 2019 with the revised design addressing tenants concerns and feedback.. This will create 15 new fully wheelchair accessible properties and 20 fully refurbished units. To date the expenditure has been limited to design work, site surveys, planning and support for residents to move home on a temporary basis. Work on site is due to begin in June 2019 therefore funds of £117k have been transferred into 2019/20.
33. 5 houses have been purchased at a total cost of £541k under the Local Authorities Phase 2 Scheme to increase housing stock and maximise the 1-4-1 Right to Buy receipts which are time limited. Further houses are expected to be purchased in 2019/20 therefore funds of £541k have been transferred into 2019/20.
34. Tenders have now been returned for the Lowfield Housing Scheme and the contract will be awarded in May 2019. Land has been prepared for construction and start on site is expected in July 2019. This site will include 140 mixed tenure homes of which 56 will be affordable homes.
35. Following the receipt of the tenders a review of all costs and income across the scheme has been undertaken which results in the overall scheme continuing to be within the overall approvals envelope. Overall costs have increased by £4.1m from £22.5m to £26.6m (described below in further detail), however market sales, shared ownership equity sales and income from other contributions are forecast to be £22.1m (increase of £4.1m). It is proposed therefore to increase the overall budget for the scheme to £26.6m funded from this additional income.
36. Further to the July 2018 cost plan, detailed design work and further investigation of the site was carried out which has resulted in additional costs. The largest cost increase to the project has been incurred due to very poor ground conditions discovered further to the Phase 2 Site Investigation Survey. As a result of these ground conditions the houses require piled foundations and the site infrastructure requires additional stabilisation works.

37. The environmental standards of the scheme have also been enhanced since the original approval by the addition of solar panels to all properties with suitable roof orientations as well as selecting high quality building materials to ensure the scheme delivers excellent design which relates to the surrounding area. Further significant costs included Yorkshire Water's fees for the drainage diversion along with changes to the mechanical and electrical specification as a result of new regulation.
38. There is a condition attached to the Lowfield Planning Permission which requires development of three replacement football pitches prior to homes being occupied at Lowfield. There is also a separate planning permission to provide new pitches at the Askham Estate which is currently within the HRA. This HRA land requires appropriating into the general fund to support the Council's ambitions to develop the new pitches and lease this land to Bishopthorpe White Rose Football Club. The open market value is £25,285
39. With regard to the cost of the development, Executive (December 2017) approved £400k contribution towards the provision of the new pitches at Ashfield and noted that the cost of the project includes contributions from the developer as well as s106 contributions and support from the football foundation and football club. The scheme design has been finalised with a projected overall cost of £1,472.5k. This is to be funded from Lowfield enabling budget (approved) £400k, Football Foundation Grant £498.5k, Opens Space s106 contributions £110.7k, Lowfield Developer Contribution (HRA) £300k, Askham Bar Developer Contribution (HRA) £83.3k and contribution from Bishopthorpe White Rose Football Club £80k. The capital programme is amended to reflect the final funding position. Total spend on development of the scheme in 2018/19 was £123k funded from the Lowfield enabling budget with the balance of expenditure £1,350k anticipated in 2019/20
40. The Housing Environment Improvement Programme has provided 100 individual, external storage facilities across the City, providing vital storage for tenants and supporting Housing's Communal Space Policy. The programme has supported the provision of more than 40 parking spaces which will improve the safety of tenants in areas with high numbers of cars parking inappropriately. Some areas have benefitted from physical improvements which have been designed with tenants to improve the appearance of the area and deter

antisocial behaviour thus increasing safety for tenants e.g. landscaping and remodelling of bin storage areas.

41. The Disabled Facilities Grant (DFG) scheme has seen expenditure totalling £2.029m in 2018/19 which has seen a total of 274 grants completed, an increase of nearly 20% on the previous year. Customer satisfaction remains high with comments such as 'The team were excellent and I wouldn't hesitate to call again if needed' and 'everyone involved was brilliant and very helpful in all services provided to us'
42. The falls prevention team which is part of the DFG continues to receive excellent feedback from residents who are at fear of falling. With 3 falls prevention practitioners the service has expanded in to five wards as well as receiving referrals from identified partners. In 2019/20 the service will be reviewed and having brought in house the handyperson service already, the Council is looking to provide a holistic prevention service aimed at providing simple measures which will support residents to remain in their homes.
43. The Modernisation of Local Authority Homes Scheme has total capital expenditure of £1.349m in 2018/19 on major damp issues, upgrading of external door entry systems to flats, asbestos removals and installation programmes. Within this figure £751k has been spent on resolving major standing water problems in 32 households.
44. The Major Repairs Scheme has incurred total capital expenditure of £5.683m in 2018/19. Within this figure £2.292m has been spent on void capital works with 144 properties benefitting from major works including damp treatment, new kitchens & bathrooms, full rewires and plastering works, ensuring the properties meet decent homes standards. A significant number of tenants refuse Teneants Choice works whilst they are living in the properties, therefore this work emerges when the property becomes vacant.
45. 604 Households benefitted from new gas central heating systems this year which included SMART controls and 5 year manufacturer warranties. 32 new kitchens and 22 new bathrooms have also been fitted in 2018/19. These have been where the kitchen or bathroom needed replacing due to being beyond repair, or due to damp in the property. The planned roof programme saw 109 homes/ blocks benefitting from new roofing this year, and 240 properties have had replacement doors.

46. There are a number of requests to re-profile budget to future years within Housing & Community Safety Capital Programme totalling £10.460m and an increase in expenditure of £687k funded from capital receipts and contributions.

### **Economy & Place – Transport, Highways & Environment**

47. Capital Expenditure on various schemes within Transport, Highways & Environment totalled £21.246m in 2018/19.
48. The York Outer Ring Road scheme is progressing with £5.182m being spent in 18/19. This has seen the upgrade of the existing A1237/ Wetherby Road roundabout (widening approaches/ exits on A1237; widening of other arms and improvements to walking/ cycle facilities) to improve journey times at the roundabout. The new layout will allow dualling of the carriageways in future years. This was the first roundabout to be upgraded as part of the Outer Ring Road Upgrades scheme. Preparation work was carried out on the proposed upgrade to the A1237/ Monks Cross roundabout, which will be implemented in 2019/20
49. Development of Station Frontage scheme has continued throughout 18/19, with £732k being spent on various works including site investigation work for the Queen Street bridge. The planning application for the scheme was submitted in March 2019 with a decision expected in summer 2019
50. Works within the Highways Resurfacing & Reconstruction scheme and Highway, Footway & Cycleway improvement schemes have progressed with combined total expenditure of £4.299m in 2018/19. Large patching has been completed to 4,664m<sup>2</sup> of road surface and road surface repairs to 54,849m<sup>2</sup>. There have been 22 footways schemes completed repairing 12,917m<sup>2</sup>
51. The Built Environment Fund has a capital outturn position of £721k in 18/19. Within Fossgate Public Realm, work to create a more pedestrian-friendly environment and improve the junctions with Pavement and Merchantgate, following the changes to traffic flow in 17/18. This has included footway widening, construction of new build-outs for outdoor cafe space/ cycle parking, improved crossing

facilities, and resurfacing work. The scheme was completed in April 2019

52. Within the Dualling Study scheme, proposals have been developed for dualling the A1237 Outer Ring Road, including the development and submission of an Outline Business Case to the Department for Transport (DfT) for funding for the scheme. A decision from the DfT is expected in June 2019.
53. The Local Transport Plan has a capital outturn position of £1.911m in 2018/19 with progress being made on various sub schemes. The upgrade of traffic signals at 6 locations was completed in 18/19, including the completion of the Lendal Arch Gyratory scheme (work started on this scheme in late 17/18). The upgrade work has included improvements to footways and carriageway resurfacing where required.
54. Following the removal of the old bus shelter on Rougier Street in previous years due to development work on Roman House, a new bus shelter has been installed, which is one of the main bus interchanges in the city centre.
55. Progress on the Monks Cross Rapid Charger Hub was deferred while a bid for additional funding was submitted to the European Regional Development Fund (ERDF), as the additional funding would allow the scope of the scheme to be expanded. The ERDF bid was successful, and the revised scheme to provide solar canopies at P&R sites will be progressed in 19/20, therefore funds of £136k have been transferred into 19/20 to support this.
56. The P&R Token Barriers scheme has been delayed as the procurement process was longer than expected. A supplier has now been appointed, and the new token barriers at Monks Cross and Askham Bar will be installed in summer 2019.
57. The Rufforth-Knapton Cycle route was delayed as it took longer than expected to gain agreement with the landowner for the changes to the existing Public Right of Way to form part of the new cycle route. These have now been resolved, and preparation work started on site in late March, and the new path will be constructed in 2019/20. Funds of £213k have therefore been transferred into 19/20 to support this.

58. The repair and Renewal of the City Walls scheme is progressing with £209k being spent in 2018/19. Works this year have been carried out at Tower 39, Monk Bar steps and walls, Anglian Tower and ruins and Tower 32
59. The Scarborough Bridge Scheme is well progressed with funds of £2.735m being spent in 2018/19. This has seen the replacement of the existing footbridge with a new wider bridge, and construction of ramps linking to the riverside paths and the access to York Station. The new bridge was opened for use on 18 April, and the scheme will be fully completed by May 2019.
60. The Replacement of unsound lighting column schemes have a combined total capital expenditure of £2.028m in 2018/19. As part of this just over 2,000 street columns have been replaced (concrete and steel) with new columns. The new columns have 35 years life expectancy. The column replacement programme had the capacity to be accelerated and so future years capital allocations have been brought forward and as the columns are already life expired it was operationally beneficial to accelerate the programme
61. Other completed schemes include
  - the installation of height barriers at five P&R sites to improve security of sites;
  - improvements to bus shelters across the city;
  - resurfacing at the A19/ Crockey Hill junction following the junction improvement scheme completed in 17/18;
  - implementation of schemes to improve safety and address speed issues across the city;
  - upgrade of five Variable Message Signs on the outer ring road as part of the Smarter Travel Evolution Programme;

## **Economy & Place – Regeneration & Asset Management**

62. Capital expenditure on various schemes within Regeneration & Asset Management totalled £6.227 in 2018/19.
63. Capital expenditure on the York Central scheme totalled £4.402m during 2018/19. Outline planning application for the site (including the access road) was approved at Planning Committee in March 2019.

64. The York Central project has made significant progress over the period April 18 to March 19. Following comprehensive community engagement a Master Plan was agreed by the partnership and submitted for Outline Planning Consent in August 18, with a positive outcome at Planning Committee in March 2019. The planning decision is currently with the Secretary of State under the Call in procedure and we await a decision which is expected soon. This would then allow a Reserved Matters Application, subject to Executive approval, to be submitted this summer. Funding bids were submitted during 2018/19 and some funding is secured. The outcome of the bid to the Housing Infrastructure fund is still awaited. Procurement of the infrastructure delivery contractor is well advanced and additional design work has also been completed on the phase 1 Infrastructure to allow for early delivery when final approvals are in place
65. Work has continued within the Castle Gateway scheme on masterplanning for the Castle area, St George's Field, and Piccadilly with total funds of £658k being spent in 2018/19. Progress has been delayed slightly whilst final designs are completed prior to submitting planning applications. A report will be brought to Executive later in the year to update Members on the overall scheme and make the business case for the release of funding for the first phase of construction.
66. The Guildhall project has a capital outturn position of £696k in 2018/19. After reviewing various design options Executive (14 February 2019) approved a construction budget of £16.5m to stabilise the north tower, provide improved facilities and office space plus a restaurant. A contract has been awarded to Vinci and work will start during the summer.
67. Along with other West Yorkshire authorities who are part of the Leeds City Region Investment Fund, York has made a further contribution to the Fund to support new loans relating to Housing developments at Markington/ Mulgrave (£81k) and Thirstin Mill (£127k).
68. Under the Asset Maintenance scheme various works have been carried out during the year including work on stabilising St Crux churchyard walls and Crematorium roof repair. Work has started in repairs to the Central Library roof and will continue in 2019/20. Work is also nearing completion on replacing the fire alarm systems in the Shambles.

## Customer and Corporate Services

69. The tender for the new cremators for York Crematorium has now been received. The initial capital bid approved by full Council on 28<sup>th</sup> February 2019 was for £500,000 but the actual costs of replacing the two cremators is £713,084. This paper requests a draw down of additional capital in the sum of £213,084 to progress the procurement to award of contract.
70. The Council last procured cremators in 2012, since this time the market has contracted and only two major suppliers are in the market place, one being the existing provider with whom the council has terminated the contract.
71. The costs are for the procurement of the new cremators, but also include the decommissioning of the existing cremators and removal, the fitting of two new cremators into the existing space along with filtration kit and any alterations required to the building. The £500k was an estimate based on the cost of the cremators in 2012 and the necessity to replace with better quality compliant equipment - it was not possible to know what the actual costs would be until the final bids were received. There was only one bid received reflecting the need to request the increased capital amount reflected above
72. Within One Planet York a budget of £1.25m over the next 5 years was approved as part of the 2019/20 budget to support capital schemes to deliver higher environmental benefits than may otherwise be the case in projects such as the building of homes, or within projects such as the Guildhall or York Central. There is £60k already committed to the redevelopment of Lincoln Court to provide environmentally sustainable measures including photovoltaic cells for the building roof. Other initiatives across capital schemes are being developed, for example within the proposed St Georges Field MSCP scheme. Specific allocations will be recommended for approval to the Executive as part of the ongoing monitoring process
73. There remains a budget of £240k for the installation of Solar PV panels on council buildings. It is proposed that £137k of this budget is utilised to expand the PV system at Hazel Court. This will increase the number of panels from 241 to 631. The additional panels will provide 107.25KW and save 30,843kg of CO<sub>2</sub> in the first year

## Customer and Corporate Services - IT

74. The ICT development plan has a total outturn position of £1.879m in 2018/19. This expenditure has seen significant achievements made on individual schemes as follows:

- CRM - successful go live of the new Oracle database, Agent Desktop, Street Lighting and Street Cleaning processes, My Account, Street Lighting and Street Cleaning e-forms and Customer Satisfaction Surveys on 27th February. Good feedback was received from Customer Services and Back Office/Business Support staff on the improved design and performance of system. Penetration and security testing was carried out on My Account and newly developed eforms by an external company and no significant vulnerabilities were identified.
- Replacement of Multi Function Devices and refresh of the print unit in West Office completed
- Upgraded to a cloud hosted version of the Total Mobile product to ensure CYC are able to access the full functionality that this Software as a Service (SaaS) offer can provide in the future, including the potential to bring Harrogate Borough Council on as part of a potential shared service arrangement. Mobile working schemes are continuing to be progressed in Children's Social Care, Building Services, Adult Social Care, Highways and Environmental Health
- MYLO (eLearning) successfully rolled out.
- Registrars. The online booking system for customers to book their own birth or death registration appointments through the CYC website has gone live. This will provide customers with the ability to book marriage ceremonies at a later stage
- latest version of the yorWellbeing site has been deployed and is now being used by the wellbeing team
- CYC's Public Sector Network (PSN) accreditation has been secured for a further 12 months until Feb 2020
- Lync has been upgraded to Skype for Business 2016, this allows iPhone/Android users to use the Skype for business client on their devices
- Procured and implemented new search functionality, Cludo, which replaces the current site search, Google Search Appliance, on the [york.gov.uk](http://york.gov.uk) website

- system has been launched to enable the crematorium to manage their bookings which will also allow for collaboration with Funeral Directors
- All CYC databases are now being backed up to the Microsoft Azure cloud for increased resiliency
- Work is progressing well on the upgrade of the Citrix farm and the roll out of Windows 10 and Office 2016 applications with trials in place to identify and rectify any identified problems prior to full corporate roll out alongside appropriate training during Q2 2019/20
- A pilot of Office 365 has commenced with plans to initially provide email services across the estate autumn/winter 2019
- Development of the emergent overarching Digital Services Programme continues to progress ensuring the effective delivery of work across our five themes: City, Process, Staff, Customer and Infrastructure

75. Within our Digital City programme, York's digital connectivity platform continues to expand through a combination of the active Talk Talk Ultra Fibre Optic (UFO), Virgin Media, Superfast West Yorkshire & York BDUK and our wireless expansion programmes. UFO connectivity is now available to more than 33,000 homes and businesses and is on track to reach up to 55,000 across York by the end of 2020. Investment of around £55million is being spent to enable a 70%+ fibre penetration within York. (Current statistics state the UK average is less than 3%) . Virgin media reaches approx. 12,000 homes in York. Wi-Fi services have become a very prominent feature of the City's digital connectivity landscape, with external coverage across most of the city centre, within its key open spaces, some urban shopping areas, park and ride and regional bus services. Expansion plans for external Wi-Fi coverage over the coming year include the new Community Stadium, Clifford's Tower and Coppergate

76. Total funds of £1.555m require re-profiling into 2019/20 in relation to the IT Development Plan overall. This is to allow the delivery of planned corporate projects including the completion of the replacement of the Citrix Server farm, the further development of the Digital services programme and other essential ICT works that have been deferred in terms of commencement until the 2019/20 financial year

## Community Stadium

77. The Community Stadium capital scheme has an outturn position of £22.586m in 2018/19. The main structure is complete and the contractor is fitting it out and laying the pitch. Work is expected to be complete in the autumn
78. The building contractor is anticipated to complete on site works early in September and there will then be a period of a few weeks where our leisure operator will mobilise the site ready for public opening. This post build mobilisation period will include the Stadium gaining all required safety and licence certification.
79. The adjacent Commercial Development to the Stadium is also well advanced in its construction and has confirmed lettings for; IMAX Cineworld, Hollywood Bowl, Adventure Mini Golf Centre, Zizzi's and TGI Friday restaurants, with all of these, together with the Council leisure facilities, representing a significant leisure offering for residents
80. Executive are reminded of the outstanding capital funding risk relating to the East Stand Restaurant Units Capital Land Receipt, which has been reported previously. There are 3 restaurants units within the Stadium East Stand and if at build practical completion 2 of these 3 units are let the full outstanding Capital Land Receipt sum of C.£3.8m will be received by the Council. If at build practical completion no East Stand Restaurant Units are let a reduced Capital Land Receipt of C.£2.4m will be received (a reduction of C.£1.4m on full anticipated receipt). If 1 East Stand Restaurant Unit is let by build practical completion a Capital Land Receipt of C.£3.1m will be received (a reduction of C.£700k on full anticipated receipt). Currently none of these East Stand Restaurant Units are let and this risk remains as highlighted and approved by Executive in the October 2017 Stadium Executive Report. The Council is working closely with the developer, Wrenbridge who are responsible for letting of the units prior to build practical completion. Discussions are currently ongoing with several potential tenants for these East Stand Restaurant Units
81. In September 2018 Executive approved the current 2019 York City Knights (YCK) financial support for all YCK first team home fixtures played at Bootham Crescent. At the time of such approval, it was anticipated the Stadium would be operational within the current 2019 Rugby League Season and YCK would be playing a selection of the

2019 Rugby League season games from the Stadium, therefore the funding approval reflected only a part season

82. YCK will now be playing all 2019 Rugby League Season (including play off) games from Bootham Crescent and as such the funding currently approved requires amending to reflect this position. Current approval is for Council financial support payable up to a net cost of £30,000, with a total cap of £40,000 as YCK contribute towards 25% of the Bootham Crescent costs through rental payments to the Council
83. The YCK financial support over the previous two Rugby League seasons (2017 & 2018), where all YCK home fixtures were played at Bootham Crescent, was capped at a maximum cost to the Council of £45,000 per Rugby League season
84. It is recommended the current YCK financial support be amended to reflect that all 2019 Rugby League season games will now be played at Bootham Crescent. As such, the 2019 YCK financial support will revert to the same CYC funding support value and principles as the 2017 + 2018 Rugby League seasons financial support
85. The additional £15,000 cost to the Council from the revised YCK 2019 financial support will be met from within the existing approved Project budget. Interim financial support will cease once the new Stadium is operational for YCK

### **Funding the 2018/19 Capital Programme**

86. The 2018/19 capital programme of £77.402m has been funded from £39.845m external funding and £37.557m of internal funding. The internal funding includes resources such as revenue contributions, Supported Capital Expenditure, capital receipts and reserves.
87. 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 2019/20 – 2023/24 Capital Programme

88. As a result of this report amendments have been made to future year's capital programmes as a result of re-profiling schemes from 2018/19 to future years as set out above.
89. The restated capital programme for 2019/20 to 2023/24 split by portfolio is shown in table 3. The individual scheme level profiles can be seen in Annex 1.

		<b>2019/20 Budget</b>	<b>2020/21 Budget</b>	<b>2021/22 Budget</b>	<b>2022/23 Budget</b>	<b>2023/24 Budget</b>	<b>Total Budget</b>
		<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
CEC	Children's, Education & Communities	23.233	11.746	10.500	2.000	0.000	<b>47.479</b>
HH & ASC	Adult Social Care & Adult Services Commissioning	7.371	0.595	0.616	0.638	0.660	<b>9.880</b>
HH & ASC	Housing & Community Safety	55.860	57.141	42.412	24.069	36.597	<b>216.079</b>
E&P	Transport, Highways & Environment	78.219	24.735	15.731	8.725	5.225	<b>132.635</b>
E&P	Regeneration & Asset Management	87.901	67.484	26.754	1.198	0.220	<b>183.557</b>
CCS	Community Stadium	10.143	-	-	-	-	<b>10.143</b>
CCS	Customer & Corporate Services	3.482	0.525	0.500	0.450	0.250	<b>5.407</b>
CCS	IT	5.085	1.535	1.870	2.070	2.070	<b>12.630</b>
	<b>Total</b>	<b>271.294</b>	<b>163.761</b>	<b>98.383</b>	<b>39.150</b>	<b>45.022</b>	<b>617.810</b>

**Table 3 – Restated Capital Programme 2019/20 to 2023/24**

90. Table 4 shows the projected call on Council resources going forward.

	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	Total £m
<b>Gross Capital Programme</b>	<b>271.294</b>	<b>163.761</b>	<b>98.383</b>	<b>39.150</b>	<b>45.022</b>	<b>617.810</b>
Funded by:						
External Funding	151.631	74.658	25.068	5.575	5.805	<b>262.737</b>
Council Controlled Resources	119.663	89.103	73.315	33.575	39.217	<b>355.073</b>
<b>Total Funding</b>	<b>271.294</b>	<b>163.761</b>	<b>98.383</b>	<b>39.150</b>	<b>45.022</b>	<b>617.810</b>

**Table 4 - 2019/20 –2023/24 Capital Programme Financing**

91. The Council controlled figure is comprised of a number of resources that the Council has ultimate control over. These include Right to Buy receipts, revenue contributions, supported (government awarded) borrowing, prudential (Council funded) borrowing, reserves (including Venture Fund) and capital receipts.
92. During 2018/19 Total Capital Receipts of £4.3m were received into the General Fund Capital Receipts Reserve. Within this figure a receipt of £1.7m related to the sale of Fordlands Road, and £1.5m in relation to Oliver House. In line with the report to Executive in July 2015 Executive Members these receipts were ringfenced for use on the Older Peoples Accommodation Programme. Surplus capital receipts over this level will be available to support other council priorities
93. The remaining receipts received related to the sale of Stonebow House, 10-11 Redeness Street, and a strip of land at Bootham Car Park.
94. It is expected that a number of further Capital receipts will be received in 2019/20 in relation to Ashbank and Hungate overage on residential sales. These non-ringfenced receipts will continue to be paid into the Capital Receipts reserve, and options for the most

prudent use of these non ring-fenced receipts will be set out in future budgetary reports to members.

95. In financing the overall capital programme the Director of Customer & Corporate Services will use the optimum mix of funding sources available to achieve the best financial position for the Council. Therefore an option for any new capital receipts would be to use these to replace assumed borrowing, thereby reducing the Councils' borrowing levels and associated revenue costs.

### **Consultation**

96. Not applicable

### **Options**

97. Not applicable

### **Council Plan**

98. The information contained in this report demonstrates progress in achieving the priorities set out in the Council Plan.

### **Implications**

99. This report has the following implications:
- **Financial** – are contained throughout the main body of the report
  - **Human Resources (HR)** – There are no HR implications as a result of this report
  - **One Planet Council/ Equalities** – 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. All individual schemes will be subject to Equalities Impact Assessments
  - **Legal Implications** - There are no Legal implications as a result of this report.
  - **Crime and Disorder** - There are no crime and disorder implications as a result of this report.
  - **Information Technology** - There are no information technology implications as a result of this report.

- **Property** - 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.
- **Other** – There are no other implications

## Risk Management

100. There are a number of risks inherent in the delivery of a large scale capital programme. To mitigate against these risks the capital programme is regularly monitored as part of the corporate monitoring process, and the project management framework. This is supplemented by internal and external audit reviews of major projects. In addition, the Capital Asset Board meet monthly to plan, monitor and review major capital schemes to ensure that all capital risks to the Council are monitored and where possible minimised

## Contact Details

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Debbie Mitchell Corporate Finance Manager Corporate Finance	<b>Report Approved</b>		<b>Date</b>
<b>Wards Affected: All</b>			
<b>For further information please contact the authors of the report</b>			

<b>Specialist Implications:</b>
<b>Legal – Not Applicable</b>
<b>Property – Nick Collins</b>
<b>Information Technology – Not Applicable</b>

## Annexes

Annex A – Capital Programme by year 2018/19 – 2023/24