



<b>Meeting:</b>	Executive
<b>Meeting date:</b>	7 July 2026
<b>Report of:</b>	Debbie Mitchell, Director of Finance
<b>Portfolio of:</b>	Councillor Katie Lomas, Executive Member for Finance, Performance, Major Projects, Human Rights, Equalities and Inclusion

## **Capital Programme Outturn 2025/26 and Revisions to the 2026/27 – 2029/30 Programme**

### **Subject of Report**

1. The purpose of this report is to set out the capital programme outturn position for 2025/26 including any under/overspends and adjustments, along with an update to the future years programme.
2. The report contains details of the capital investment made during 2025/26 and how this has supported delivery of the Council Plan. Key areas of investment are listed below with further details contained in the body of the report:
  1.
    - £4.4m on the expansion and improvement of school facilities across the city
    - £8.8m on construction and development of new council housing at Duncombe Barracks and Burnholme
    - £10.5m on the modernisation of and ongoing repairs to council homes
    - £4.9m on improvement works to homes in Bell Farm
    - £10.4m on capital investment on the council's highway network including roads, bridges, drainage and lighting
    - £11.6m on improvements at Station Gateway
    - £1.5m on developing the Council's ICT infrastructure
    - £1.4m on repairs to the Mansion House.

3. Some of the direct outcomes of the investment include:
  - Classroom expansion to St Oswald's and Applefield's primary schools and St Paul's Nursery school
  - Completion of the final expansion phase at Huntington School
  - Heat pump and solar photovoltaic upgrades to all 61 properties
  - 45 properties received funding under the scheme Home Upgrade Grant scheme
  - Construction completed on new Passivhaus affordable housing at Duncombe Barracks and Burnholme
  - Work completed on major refurbishment schemes in Bell Farm and also Glen Lodge
  - 56 new vehicles were delivered and put into operation
  - Mansion House repairs work is completed
  - 279 private properties and 156 council properties supported with adaptation works to their homes
  - 9 new footpath schemes completed
  - 8 Large Patching Schemes completed with a total area of 12,000 square metres
  - 7 Surface Dressing schemes covering an area of 70,000 square metres
  - 10 carriageway schemes completed including 60,000 square metres of refurbished roads
  - 500 old street lighting columns upgraded to LED
  - 12 drainage improvement schemes completed
  - 12 new bus shelters have been installed
  
4. The report also seeks to consider a request to provide a capital contribution towards a scheme to upgrade the roof at the Yorkshire Museum which has been awarded a £2m grant by Arts Council England.

## **Benefits and Challenges**

5. The capital programme is key in delivering the Council Plan. Members are able to prioritise capital expenditure to deliver improvements across all service areas notably Schools, Housing, Transport and Regeneration as well as supporting Climate Change ambitions. The capital programme can also play a role in supporting more effective management and reduction of the council's revenue expenditure in the future, with for example

investment in schools allowing for more efficient operations, green technology reducing energy costs etc.

6. The programme does involve significant levels of council borrowing which impacts the level of revenue expenditure. The cost of delivering the capital programme is therefore dependent on levels of external funding, inflation levels and interest rates. The capital programme is subject to value for money assessment as part of its ongoing delivery, and this is increasingly important in the broader context of budgetary pressures across the council. Additional controls and processes are now also being implemented through the newly established corporate Programme Management Office function.

## **Policy Basis for Decision**

7. This report is to note the outturn position for 2025/26 and agree to slippage where necessary to deliver the projects which support the delivery of the council plan.

## **Financial Strategy Implications**

8. This report needs to be read alongside the Finance and Performance Outturn report elsewhere on the agenda. This report identifies slippage on schemes but also the impact that delays have had on projects in terms of delivery.
9. The slowdown in the capital programme over the second half of the year has reduced the need for external borrowing. Capital expenditure funded by borrowing was estimated to be £74m at Monitor 1 whereas the year end position showed capital expenditure funded by borrowing totalled £19m. This has supported the savings across Treasury Management that has supported the overall council revenue position.

## **Recommendation and Reasons**

10. Executive is asked to:
  - A) In relation to the capital programme outturn

- i. Note the 2025/26 capital outturn position of £81.948m and approve the requests for re-profiling totalling £58.432m from the 2025/26 programme to future years.
- ii. Note the adjustments to schemes increasing expenditure in 2025/26 by a net £1.346m.
- iii. Recommend to Full Council the restated 2026/27 to 2029/30 programme of £441.313m as summarised in Table 3 and detailed in Annex 1.
- iv. Approve the virement of £5.4m from Integrated Transport to fund the updated spend forecast on York Station Gateway
- v. Approve the acceptance of the LAHF grant by xx and recommend to Full Council

**Reason:** To enable the effective management and monitoring of the council's capital programme.

B) In relation to the Yorkshire Museum Capital Scheme

- i. To authorise officers to commence work with York Museums and Gallery Trust (YMT) and Arts Council England (ACE) to identify and agree a lawful and deliverable form of security for ACE's contribution to the Yorkshire Museum roof works, and to delegate authority to the Director of City Development, in consultation with the Executive Member for Economy and Culture, the Director of Governance and the Director of Finance, to negotiate and enter into any necessary agreements to give effect to the preferred form of security, including (where required):
  - amendments to the 2009 Yorkshire Museum and Gardens Charitable Scheme, subject to Charity Commission approval;
  - any documents required to create or support the agreed security for ACE;
  - any lease or property arrangements required to facilitate the agreed form of security;
  - any necessary landlord consents from the Council to YMT to facilitate the agreed form of security;
  - any required applications to HM Land Registry, the Charity Commissioner, Companies House, or any other regulator; and
  - any consents required to enable the roof works to proceed.
- ii. Subject to the above, to approve the award of £200,000 match funding to the York Museums and Gallery Trust towards the improvement works for the roof and rainwater goods at the Yorkshire

Museum, alongside the allocation of a further £300,000 for future match funding if successful and to delegate authority to the Director of City Development in consultation with the Director of Finance and the Director of Governance, to finalise and execute a grant funding agreement with the York Museums and Gallery Trust.

iii. Allocate the £500,000 match funding from Capital Contingency

**Reason:** To ensure that any charge created at the Yorkshire Museum is in line with the existing arrangements the Yorkshire Museum between CYC and YMT.

To enable YMT's acceptance of the grant funding, and all grant funding arrangements, are in compliance with the Subsidy Control Act 2022, the Council's Constitution, and the Council's Financial Regulations.

C) In relation to the funding from the Local Authority Housing Fund (round 4) from MHCLG, are recommended to:

- i. Accept grant funding from the MHCLG of £888k, by delegating authority to the S151 Officer to sign the Memorandum of Understanding.
- ii. Recommend to Full Council, the approval of additional borrowing up to £938k to match fund the scheme.
- iii. Delegate authority to the Director for City Development to progress the purchase of 6 homes for the HRA.

**Reason:** To ensure the Council's acceptance of the funding is in line with the Council's Constitution and Financial Regulations.

## Background

11. The capital programme is focussed on making city scale improvements to our infrastructure and assets, which is inevitably a complex and long-term undertaking, with significant lead times and external dependencies. Expenditure forecasts across the programme are therefore subject to inevitable change. The delivery resource in the authority is also being grown at the moment, to be able to achieve the full range of benefits for residents, and additional controls and processes are now also being implemented through the corporate Programme Management Office function.

12. The 2025/26 capital programme was approved by Council on 27 February 2025 and updated for amendments reported to Executive in the 2024/25 outturn report, which resulted in an approved capital budget for 2025/26 of £180.743m.
13. At Monitor 1 report (September 2nd, 2025) there was a decrease of £0.412m resulting in a revised capital programme of £180.331m.
14. At Monitor 2 report (November 4th, 2025) there was a decrease of £17.865m resulting in a revised capital programme for 2025/26 of £162.466m.
15. At Monitor 3 report (January 27th, 2026) there was a further decrease of £23.432m resulting in a revised capital programme of £139.034m.
16. The report shows an outturn of £81.948m compared to an approved budget of £139.034m, an overall reduction of £57.086m. The revisions in the report show a revised start budget for 2026/27 totalling £112.990m.
17. The net variation of £57.086m is made up as follows:
  - Proposals to re-profile budgets of £58.432m of schemes from 2025/26 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 £1.346m, mainly due to additional grant funding being received and adjustments to allocate developer contributions to relevant schemes in Transport.
18. The level of re-profiling reflects the scale of the capital programme, and 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.
19. The main areas of re-profiling included within the £58.432m include:
  - £25.767m – York Central EZ contribution
  - £4.996m – Integrated Transport

- £3.847m – Local Authority Homes – Phase 2
- £3.764m – York Station Gateway
- £1.807m – ICT Development Plan
- £1.381m – Schools Essential Mechanical & Electrical Work
- £1.226m – Bus service improvement plan
- £1.220m – Local Authority Homes – Project Team
- £1.086m – Capital Contingency
- £1.050m – Innovative Floor Resilience
- £1.048m – Basic Need
- £0.872m – Replacement Vehicles & Plant

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

Department	Current Approved Budget	Outturn	Increase/decrease	Reprofile	Total Variance	Paragraph
	£m	£m	£m	£m	£m	Ref
Children's services	10.722	7.818	0.355	(3.259)	(2.904)	24 – 31
Adult Social Care	1.039	0.864	0	(0.175)	(0.175)	32 – 43
Housing	43.290	34.656	0.584	(9.218)	(8.634)	44 – 65
Communities	3.977	2.150	0.040	(1.867)	(1.827)	66 – 71
Transport & Env	46.047	32.854	0.698	(13.891)	(13.193)	72 – 135
City Development	27.881	1.166	(0.140)	(26.575)	(26.715)	136 – 146
Property Services	1.316	0.933	0.002	(0.385)	(0.383)	147 – 153
ICT	3.306	1.507	0.008	(1.807)	(1.799)	154 - 155
Corporate Services	1.456	0.000	(0.201)	(1.255)	(1.456)	
<b>Total</b>	<b>139.034</b>	<b>81.948</b>	<b>1.346</b>	<b>(58.432)</b>	<b>(57.086)</b>	

Table 1 Capital Programme Outturn 2025/26

## Consultation Analysis

21. The capital programme was developed under the capital budget process and agreed by Council on 21 February 2025. 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.

## Options Analysis and Evidential Basis

### York Museums Trust

22. York Museums and Gallery Trust (YMT) has received a grant offer of £2m funding against an initial bid of £5m from Arts Council England (ACE) towards works to improve the roof and rainwater goods at the Yorkshire Museum. These are essential works, required to remedy issues in the complex roof structure of the grade 1 listed building, which are leading to water ingress, threatening the building fabric and collections. The essential works will help to keep the museum watertight, whilst also addressing increased rainfall due to a changing climate. The works will form the first phase of a planned comprehensive renewal of the roof, dealing with two of the five roof structure components. Further funding bids for subsequent phases will follow. Planning applications for the comprehensive works have been submitted and are pending determination.
23. YMT is the independent organisation that manages museum collections and facilities on behalf of the council, on the Museum Gardens site and at the Castle Museum. YMT applied to ACE's MEND fund last year for works to the Yorkshire Museum's roof, including the renewal of downpipes, leadwork, and slate renewal. In April YMT received a grant offer of £2m from the MEND fund administered by ACE. The MEND fund is part of the government's £130m [Arts Everywhere Fund](#) to support cultural infrastructure projects. The offer to YMT represents the largest MEND funding award in Yorkshire and the Humber.
24. The Council proposes making a match funding contribution of 10% (£200k) towards the project against which the funding has been allocated alongside a further £300k towards match for any future bid to undertake the remaining works. ACE's proposed funding conditions with YMT require some form of security for its contribution towards the proposed works; however, any security must be in accordance with the existing arrangements between the Council and YMT under the 2009 Yorkshire Museum and Gardens Charitable Scheme. Under the terms of the funding the grant agreement cannot be signed without this security. To date, the Council has provided a letter of support for the scheme but now needs to identify and agree a lawful and deliverable form of security for ACE's contribution. Due to the terms between the Council and YMT this could

require amendments to the 2009 Scheme, and/or lease or other property arrangements, and landlord consents.

25. Note that the original Art Council bid was for works to the whole roof at £5m, but in this round YMT were only successful in gaining funding for the most urgent elements of the works required to the roof. YMT plans to bid into the next round of available funds, and if successful, this would require a further match fund of £300k. For this reason, we've made provision for the maximum possible match funding of £500k in the event that a future grant funding bid is successful.

### **Children and Education Services**

26. The total approved budget within the Children's Services and Education Capital Programme for 2025/26 is £10.722m. There are a small number of adjustments to report at this monitor, plus an update on the maintenance programme budget for 2026/27.
27. Within Basic Need, £1,484k has been spent on works at St Oswald's Primary and has delivered a new two classroom extension providing necessary capacity to meet local demand. This scheme was completed in December 2025, however £50k has been reprofiled into 2026/27 to complete necessary changes to the outdoor area which will be completed next year.
28. At St Paul's Nursery, £1,215k was spent to develop an enhanced resource provision creating an early year's support hub focused on Communication and Interaction needs. The building work has expanded the nursery, improved play areas and increased capacity. To complete the final external works at the front and rear of the site, £335k has been reprofiled into 2026/27.
29. The scheme to create an Enhanced Provision unit at Huntington School is now complete. The final phase was handed over in September 2025. It is proposed that a small amount of funding is re-profiled into 2026/27 to cover any retentions.
30. The major works at Applefields have continued in 2025/26. Adaptations to the hydrotherapy pool and several classrooms progressed well with £473k spent against a budget of £1,106k. The project is forecast to complete £519k under budget. It is proposed to reprofile £100k into

2026/27, leaving a remaining £115k budget to complete final elements of the scheme.

31. The scheme at Hob Moor Oaks supports the increasing demand for specialist places for pupils with complex needs. Expenditure totalled £566k against a budget of £665k, of which £185k was funded from Section 106 contributions. A budget of £50k remains in 2026/27 to complete the outstanding building work.
32. The Children in Care Residential Commissioning scheme largely relates to the acquisition of a property at Foxwood Lane (£265k) and the initial renovation works (£30k). An underspend of £12k has been carried forward into 2026/27, leaving a remaining budget of £246k next year.
33. A total of £2,711k of Schools Maintenance works were delivered across 11 maintained schools during 2025/26, addressing a wide range of repair and maintenance issues. Following the Monitor 3 forecast several maintenance projects were completed earlier than planned. As a result £897k of budget originally profiled for 2026/27 was brought into the 2025/26 financial year.

### **Adult Social Care**

34. The outturn for Adults Social Care is £175k underspent compared to the budget of £1,039k.

### **Disability Support Grant**

35. CYC provides equipment to vulnerable individuals which enables them to remain in their own homes and communities. Disabled Facility Grants (DFGs) are mandatory grants, but the maximum grant offered does not always cover the cost of adaptations. This budget can be used to top up the grant funding. It also enables the council to look at relocation packages where it is more reasonable and practicable to adapt another property.
36. During 2025/26 the Disability Support Grant (DSG) budget has been used to support the provision of major and minor adaptations within the private housing sector. The budget has provided support to around 370 households, through the installation of 989 measures - including 707 handrails, 210 mopsticks/banister rails, 57 steps, and 15 other types of measure. The budget has also been used to provide financial support to

those requiring major adaptations where the cost of the works exceeded the disabled facility grant maximum amount of £30,000, with three properties receiving additional financial support.

37. It is proposed to reprofile £27k into 2026/27 is made at outturn. The underspend is due to a decrease in the number of referrals requiring additional financial support, and a slight decrease in the number of referrals received by the Healthy and Sustainable Homes service overall that required adaptations.

### **Major Items of Disability Equipment**

38. The disability equipment budget supplies high-cost equipment to individuals to help them to remain in their own homes. This can be both social care equipment and equipment which is jointly funded by health. The social care equipment comprises items such as ceiling track hoists, stair climbers, ramps, etc. The supply of equipment is an essential component of prevention, enabling people to continue to remain in their own homes rather than moving to residential care. The budget also contributes to successful community reablement and is a key component of hospital discharge packages.
39. This scheme overspent by £33k however, the equipment invested in assists with keeping people safe and as independent as possible in their own home and as a preventative measure to reduce the need for external care packages

### **Telecare Equipment**

40. Telecare Scheme supplies people with alarms and response equipment in their homes to deal with their specifically assessed risks. Sensors are installed which are linked to our Community Alarm system and trigger alerts automatically ensuring speedy response from the response service. The equipment provides customers with 24-hour monitoring of their circumstances, which can help to encourage independence and keep them in their own homes and communities. This improves their wellbeing and reduces the need for care packages.
41. The digital switchover programme due to be delivered in 2025, to upgrade existing customers telephone networks from analogue to digital in time for the national digital switchover has now been revised to the end of January 2027. As of March 2026, Be Independent have 2,724 active domestic

connections. Whilst numbers fluctuate all new Telecare packages receive a digitally enabled telecare device. Therefore, the current number of analogue devices which still need to be replaced is approximately 270. Be Independent are aiming to complete the device replacement programme by December 2026.

42. The benefits of using a digital lifeline device over an analogue lifeline connected to a router is that the digital lifeline device can communicate with the Be Independent Alarm Receiving Centre over the IP (internet protocol) network and when or if this fails it can switch to GSM (Global System for Mobile communication), the analogue lifeline device is unable to do this. Be Independent currently spends approximately £21,000 per month on Tunstall digital devices which includes providing devices to new customers and replacing devices for our existing customers.
43. In line with ASC transformation plans going forward and to continue to focus on care outcomes for individuals, additional investment is being made in Telecare equipment and technologies. To offset the overspend in this capital scheme, the remaining capital budget for the Robotics scheme has been recharged here.

### **Robotics in Adults Social Care**

44. The Robotics Scheme looks to develop the Council's use of innovative pieces of equipment that can be used to support people to live independently and remain in their homes, with less need for formal care packages. £161k remains in the Adults Capital monitor from the initial £200k included in the 2020/21 budget. It is proposed to vire the remaining budget to further support the Telecare Scheme for the digital switchover, Telecare devices and the cost of the Telecare technicians to install and fit the capital equipment

### **Burnholme EPH Development**

45. The budget has been spent on works on Burnholme Sports Centre on Mossdale Avenue. The Sports Centre provides a place for residents to stay fit and active. This includes a gym, a sports hall, outside courts and an artificial turf pitch. The works have included S.36 and S.1032 retrospective applications and remediation works, drainage inspection survey and manhole surveys.

## **Housing Services**

### **Disabled Facilities**

46. This budget is used to undertake adaptations to privately owned properties in order to help owner occupiers and tenants living in the properties to be able to live independently within the property in the future. 186 properties have received disabled adaptation works to date. £1,825k was spent in 2025/26 on private sector adaptations, meaning that £582k will need to be reprofiled into 2026/27.

### **CYC Adaptations Budget**

47. This budget is used to undertake adaptations to Council properties in order to help council tenants living in the properties to live independently within the property in the future. The budget is financed through monies allocated from the Housing Revenue Account (HRA) budget. Adaptations to Council owned homes came to £1.2m funded from the HRA, and £239k will be reprofiled into 2026/27.

### **Warm Homes Local Grant**

48. This is the latest national energy retrofit project for private sector housing being run by DESNZ. CYC was successful in securing funding from April 2025 to March 2028, with a total fund pot of £2,038k over the three-year period.
49. 13 properties have benefitted from the grant in 2025/26 at a cost of £322k at outturn, including £45k on administration and ancillary costs (which includes staffing costs) for the set-up of the scheme.

### **Major Repairs**

50. The external painting contract is one area where considerable work has been undertaken during the year with additional work being undertaken to catch up from previous years, when it was not possible to engage more than one contractor. This additional work is expected to continue for 2026/27 with additional resources allocated to this area.
51. Other major repairs work has faced delays due to staff shortages, including the departure of two successive managers, team vacancies, and

sickness absences. Contractor performance issues increased complaints, and one contractor's resignation has triggered a new procurement process. A new manager is due to start early in 2026/27.

52. As a result, the programme has fallen short of planned delivery and will be partly reprogrammed into 2026/27. Work has prioritised essential compliance areas such as electrical safety, fire remediation, and damp. The 2026/27 programme will use stock condition survey data to target highest-need areas while maintaining focus on tenant health, safety, and compliance.
53. The priority now will be to recruit to the vacant posts and to put together a programme for 2026/27 working with existing and new contractors, doing work in-house if resources allow. The aim will be to deliver good value for money while providing a high-quality service.
54. Total spend on major repairs at outturn was £10,538k against the start budget of £14,046k (£3,565k was slipped at Monitor 3).

## **HRA Retrofit**

### **Alex Lyon and Honeysuckle House Renewable Energy Heating**

55. The retrofit project has been delivered on time and within budget to all 61 flats within these 2 schemes. The project was fully funded by YNYCA and has been completed with minimal disruption to tenants. Each property now has heating provided through individual energy efficient heating systems.
56. The **Social Housing Decarbonisation Fund Wave 2** programme is nearing completion. Using around £895k central government grant funding, retrofit works including external wall insulation and loft top up insulation and some heat pump upgrades have now fully completed for 94 properties. This includes the 40 Bell Farm refurbishment apartments. Works for a further 34 properties are also complete.
57. The **Social Housing Fund Wave 3** programme utilising government funding up to 2027/28 has been impacted by the Major Repairs recruitment and contractor issues noted above. A change request has been agreed with the government funding team and project delivery will accelerate during 2026/27.

## Housing Delivery

58. The 2 major house building schemes currently being undertaken in York are now coming to a conclusion while the next phase of schemes are being planned.
59. As reported to Executive in April 2026, CYC is soon to undertake a procurement exercise to appoint a strategic delivery partner who will work with the Housing Delivery team in the design and build of all future affordable and social housing developments, including the proposed developments at Ordnance Lane and Castle Mills. The Council intends to adopt the Homes England Healthy Homes Standard and Future Homes Standard for new build housing. The Council has faced challenges in the delivery of Passivhaus-certified homes, and is committed to the delivery of high-quality low-carbon affordable homes, which support residents' health, comfort, and wellbeing.
60. The developments at **Duncombe Square and Burnholme Green** are now largely completed. All 34 Passivhaus mixed-tenure homes at Duncombe Square have been handed over. A number of social housing tenants have moved in. Shared ownership properties will have residents moving in from Spring 2026 (2 units completed at present) while market sales units are available for viewing and purchase. Although interest initially was high, the sales market is facing many challenges at the national level, and no sales have yet been completed at Duncombe Square. 68 Passivhaus mixed-tenure homes at Burnholme Green have completed and handed over. The shared ownership and market sales properties will be launched for sale in Spring/Summer 2026.
61. Section 278 works are still to be completed at Lowfield Green, where the Council previously completed 140 homes, alongside community build and self-build homes. Tender documents are being updated to reflect the wider scope of work required and works will be completed in 2026/27.
62. The **Willow House site redevelopment** project submitted a planning application for 36 homes, all of which are affordable. The planning decision is expected in Spring/Summer 2026. A separate planning application for the demolition works was approved. Procurement for the enabling works will start in Spring 2026. Engagement is ongoing with residents affected by the proposals. The enabling works are being funded by a combination of HRA funds, Brownfield grants from MHCLG and grant from YNYCA.

63. Early stage design work has continued on Lowfield Plot A for supported housing for adults with learning disabilities and/or autism following the Executive decision to progress the site for this use in September 2024. This site has received £392,000 of Brownfield Grant from the Mayoral Combined Authority and a multidisciplinary team was appointed to progress the project, which is now planned to be delivered through the Strategic Delivery Partnership.
64. The **Bell Farm refurbishment and retrofit project** has completed with 40 apartments improved to make them considerably more comfortable, safer and more affordable to run. The project has overcome several issues on site such as asbestos, bats, replacement of drainage, and delayed water connections causing the project to overrun and the budget exceeded. The apartments are now being re-let in some cases to the existing tenants or to new social housing tenants.
65. Completion of the refurbishment of **Glen Lodge** was achieved in Summer 2025. The project has delivered high-quality apartments and a prevention strategy to ensure residents move at the right time for them to continue to live independently and avoid residential care wherever possible.
66. The redesigned 100% affordable housing **Ordnance Lane** scheme was unable to secure a Principal Contractor in a recent procurement process. The project will be re-tendered later in 2026 through the Strategic Delivery Partner procurement.

## **LA Homes Phase 2**

67. The Council has made a successful bid to MHCLG for its Local Authority Housing Fund (round 4), with an award of £888k over the next 3 years. The funding is for the purchase of homes on the open market for affordable rent, for both refugee resettlement and temporary accommodation purposes. This is in line with the Council's Homelessness Strategy which includes an expansion of social housing.
68. The Council will be required to match the grant funding from either capital receipts or additional borrowing, up to £938k. The scheme has an assured viability whereby the rental income from the new properties will cover both the cost of repairs and the revenue cost of borrowing. A recommendation is therefore made for Executive to recommend to Full Council the approval of the additional borrowing, should it be required.

## **Gypsy and Traveller Site Improvements**

69. This major project is still at the planning and early stages of delivery work so there has been very little expenditure to date. Budgets are being finalised and procurement is underway to deliver this work:
- Retrofit - A full Retrofit Assessment was carried out in July 2024, which identified a retrofit plan to achieve an EPC certificate of level “C” for all buildings within Council-managed Gypsy and Traveller accommodation sites. A procurement for a Retrofit Services team is underway.
  - Outgang Lane (Osballdwick site) - CYC Highways have been commissioned to produce a design for improvements to the road, including new paths, double yellow lines, crossing points, street lighting new gullies (and gully repair), and a new footpath. A design and TRO are now ready and consultation with start on 1 May 2026. Cost estimates are currently being produced for the intended work.
  - CCTV at The Clifton Gypsy and Traveller Site - CCTV has now been installed at the Clifton site and is being monitored.
  - Expansion of Clifton site - 6 additional plots at Clifton are planned, development to Osballdwick has been postponed until a Call for Site is undertaken and completed by Planning. A scope for the expansion at Clifton is currently being prepared.

## **Communities**

### **Future Libraries Investment Programme**

70. The three library projects (Haxby, Clifton and Acomb) have been combined and are reported within a single FLIP (Future Libraries Investment Programme). The capital budget includes a Libraries Improvement Fund grant of £250k from Arts Council England. The project remains on budget.
71. The programme of works on all three projects has come to an end. Acomb library was the last project and has had a full internal refurbishment based on resident’s feedback and re-opened on time. Feedback on all library improvements has been overwhelmingly positive.

72. It is proposed that the remaining budget of £297k is carried forward into 2026/27, there is a combination of fee's to be paid, retention under the building contracts and other identified costs that were needed post construction.

### **Energise Roof Works**

73. The works to identify the exact root cause of the roof leaks have been complex and time is being taken to ensure any future repair is essential. As a result, the £58k budget will need to be reprofiled into 2026/27.

### **Mansion House Repairs**

74. The repair work to the Mansion House has now almost been completed with just small amounts of the contracted work to complete as at 31 March. Some final painting to the railings and the side door were outstanding and completed in April. Final snagging works are being completed, with expected sign off in May. The budget is currently expected to be slightly overspent by £30k once all the costs have been received. This included last minute remedial work to the cellar and additional visits for archaeology. This will be reviewed at future monitor reports.

### **Crematorium Waiting Room**

75. Progress is still being made toward procurement of a contractor alongside a formal planning application. The budget of £585k has previously been reprofiled into 2026/27.

## **Transport, Environment and Planning**

### **Bus Service Improvement Plan (BSIP)**

76. During the financial year, £7,756k of BSIP and Combined Authority Bus funding has been moved from Transport to York Station Gateway to fund the bus loop requirements for the project. The remaining BSIP budget in 2025/26 was £3,073k.

## **City Centre Sustainable Corridor – Bus Priority**

77. The project to deliver a new City Centre Sustainable Corridor was approved by the executive member to proceed to public consultation in June 2025 with a current milestone planning towards a Winter 2026 delivery and implementation.
78. £1.672m has been reprofiled to 2026/27 to ensure logistical and optimal delivery alongside other critical city centre projects to avoid conflict of traffic flow.
79. Project consultation concluded on 12th January 2026. Following consultation, a report will be taken to Executive for a decision on the future of the project. If approval is granted, then construction will commence in Autumn 2026.

## **BSIP Bus Stop Upgrades**

80. 26 kerb improvements have been completed, 12 new shelters have been installed which includes 3 new shelters at Joseph Rowntree School, Beech Avenue, Bishopthorpe and Strensall Library plus York Station Gateway bus stops. The 2025/26 Bus Grant budget is fully spent and a prioritised list for 26/27 is in development.

## **BSIP Real-Time Screens**

81. There are currently 220 bus real time information (RTI) displays in the York area. 58 displays were installed in 2025/26. Seven were replacements for life expired units; the rest were in new locations. Five displays are currently awaiting installation; four in new Bauer shelters and one in the shelter to be installed at stop RC in front of the railway sub-station.
82. Replacement displays have also been ordered for the Askham Bar, Poppleton Bar, Designer Outlet and Monks Cross P&R sites. In 2026/27, funding has been allocated to replace all the remaining life expired displays including those at Rawcliffe Bar and Grimston Bar P&R sites (10 displays). Many existing city centre displays will also be moved from poles to inside new Bauer shelters, which will reduce street clutter and improve visibility. Furthermore – push buttons will be installed at compatible bus stops to allow for easier access to audio real time information announcements.

### **Small Scale Bus Priority – Strensall Bus Terminus Improvements**

83. An improved turning circle and new shelter has been installed at Strensall Bus Terminus.

### **Park and Rides Interchange Upgrades**

84. BSIP 1 funding was secured to provide a new ticket office and public waiting area/ amenities of Grimston Bar P & R and various additional improvements and refurbishments of Askham Bar, Rawcliffe Bar, Poppleton Bar and Monks Cross. Overnight parking areas are proposed to be created at Askham Bar and Rawcliffe Bar and there will be improvements to site security and Park and Cycle facilities across the five sites. Designer Outlet Park and Ride is not within scope of these works as it is under a shorter term lease agreement.
85. Executive approved the funding for the project in October 2025. Subsequently further conversations have been held with First Group as current operator of the sites to ensure operational requirements inform the detailed design. Procurement of RIBA4 stage design commenced in April 2026.

### **Accessible Routes**

86. Following an audit of 1,041 sites across York, c.80% of the existing barriers (over 830) were identified as not compliant with current national legislation, meaning they are restricting legitimate use, for example disabled people, adapted cycle users, pedestrians with and without prams/pushchairs, and cyclists. There is an ongoing programme of removing and adapting the non-compliant barriers to make York's walking and cycling routes accessible to people using all forms of active travel and mobility aid. This is a rolling scheme, currently funded for 5 years, which started in 25/26 (removing 16 barriers of various types and location variety) and is ongoing in 2026/27 (64 barriers programmed to come out). Sites have been identified and selected both on a route basis in line with our LCWIP Key Network to open up continuous accessible routes, with high numbers of users, and ones that are centred around communities, to ensure easy and effective local active travel.
87. A study is being undertaken with the University of Westminster to analyse the impact of barrier removal, using camera footage at two control sites (1) where the barriers will remain in place and (2) where the barriers will

be removed in line with our policy. Data has been collected from both locations for almost a year, site (2) will shortly have the barriers removed.

### **Traffic Signal Asset Renewal (TSAR) Programme**

88. Full site TSAR schemes have been completed at Copmanthorpe Link Road and Foss Bank with both schemes being delivered slightly under the estimated budget.
89. Detailed Design works for the Huntington Road/Hayleys Terrace project have now been completed and CYC Highways have been confirmed as the Principal Contractor to deliver the works. A date for construction is still to be finalised.
90. Feasibility Design works have been progressed for projects at Clifton Moor Gate/Water Lane and Holgate Road/Chancery Rise and are now awaiting further decisions before they can proceed to Detailed Design.
91. Discovery works have been completed for a project to replace the existing pedestrian crossing located amongst Bishopthorpe Road high street.
92. Department for Transport Green Light Funding which covered 24/25 and 25/26 has now been fully utilised to deliver:
  - Communications Upgrades at 4 sites
  - Above Ground detection upgrades at 12 sites (5 of which will be installed on site during Q1 26/26)
  - Above Ground Detection and Traffic Signal Controller upgrades at 6 sites
  - Traffic Signal Controller upgrades at 2 sites
  - Corroded pole replacements at 3 sites
  - Full TSAR site renewals at 2 sites

### **Active Travel Programme**

93. Project Management resourcing issues have now been resolved and a dedicated Project Manager has been recruited to recommence work on paused projects and also initiate projects which received YNYCA funding during 2025/26.

## **Riverside Path Improvements**

94. Design requirements relating to the Riverside Embankment Stability issues of Riverside Path construction have now been added to the tender exercise to secure a Principal Designer for the detailed design phase of the project. Expenditure during 2025/26 has been restricted to survey work which will support this detailed design phase.

## **Solar System Cycle Route Phase 1**

95. Solar System Cycle Route Phase 2: Comprises widening of the route between London Bridge and the beginning of the Solar System route. A project manager has been appointed to progress this work.

## **National Cycle Network Route 65**

96. There are several locations requiring improvement on National Cycle Network Route 65. A project manager has been appointed to progress this work.

## **EV Schemes**

97. A tender exercise to replace the existing EV back office/supply/install/maintenance contract is ongoing with Executive approval being sought regarding the length of contract to be secured. The contract will support delivery of all capital projects across the EV programme.
98. Award of the Design and Build contract for the Union Terrace Hyper Hub is proposed in early 2026/27 subject to approval of the proposed power solution with Northern Power Grid. On site delivery of the scheme is expected to commence during 2026/27.
99. Feasibility Design works for the Askham Bar Hyper Hub have progressed and are expected to be completed by Q2 of 2026/27 however outstanding legal issues must be addressed before an executive report will be submitted seeking approval to proceed to delivery of the project.
100. Proposals for the LEVI project for neighbourhood EV charge points have been considered by the Housing department and largely supported. Feasibility studies of these locations will commence when a new supplier

is in contract to support rollout of EV, at which point the council will formalise a delivery plan.

101. EVCAR completion works are reliant on the establishment of the new EV back office/supply/install/maintenance contract. Plans for existing sites at Monk Bar and Bishopthorpe Road car parks to be returned to their original layout have now been agreed with the previous contracted supplier and a further refund to CYC will be received in due course.

### **Urban Traffic Control (UTC)/ Parking Guidance System (PGS) replacement**

102. The UTC (Urban Traffic Control) system which allows for remote monitoring and operation of the City of York Council Traffic Signal estate is approaching end of life and the current supplier indicates their support for the software will come to an end within the next 12 months. Replacement and upgrade of the UTC system offers an opportunity to upgrade the functionality of the current system providing officers with the ability to understand how the network operates and improve network performance for pedestrians, cyclists, public transport and vehicle users at traffic signals
103. Additionally, a project to improve the presence and reliability of Car Park occupancy data gathering technologies at all council owned car park locations within the city centre has been approved. The authority has existing legacy arrangements which allow for the collection of this data however a large proportion of the existing Car Park counting/VMS (Variable Message Signage) estate is not currently operational and therefore transmission of this information to road users to allow them to make informed decisions about parking options is currently inhibited. This project will address issues with the existing estate and allows for further expansion

### **Safety Schemes**

104. This year we have completed the following works or are on site:
  - Aldwark dropped crossings – (3 pairs of dropped crossings)
  - St Mary's Primary, Askham Richards Safer Routes to School was completed in September 2025 through improved lining and signing measures.

- York Road / Carr Lane Local Safety Scheme was completed in February 2026 which included introducing an early start cycle facilities into an existing traffic signalised junction.
- Black Dike Lane Danger Reduction scheme is now complete except for making an ETRO permanent.
- Irwin Speed management scheme is not being progressed due to a lack of public support and was removed from the programme by Executive Member approval.

### **City Centre Access – Blake Street Improvements**

105. This scheme has made improvements to the access arrangements and TRO, and implementation has now been completed except for a delay in installing the cycle hoops. It was delivered in conjunction with a maintenance scheme.

### **YNYCA Local Transport Grant**

106. Following acceptance of funding from York North Yorkshire Combined Authority through the 25/26 Local Transport Grant the following projects have been confirmed as funded to undertake development and delivery within 26/27. Since accepting this funding the council has increased the resources within its Transport Projects team to progress these projects and programmes through to delivery:

- Pedestrian Crossing Sites
- School Streets
- Copmanthorpe Active Travel Route to School
- Installation of cycle hangars in residential areas
- Installation of cycle lockers
- Speed Reduction Implementation
- Sustainable Neighbourhood (Walmgate)
- Clifton Backies Route Improvements
- UTC/VMS/Car Park Counting System and Hardware Upgrades
- PROW Bridge Replacement - Murton FP1, Footbridge ref 30/15
- PROW Bridge Replacement - Murton FP1, Footbridge ref 30/5
- PROW Bridge Replacement - Murton FP1, Footbridge ref 30/49
- PROW Bridge Replacement - Skelton Footbridge ref 11/5
- PROW Bridge Replacement - Osbaldwick Footbridge ref 28/23
- PROW Bridge Replacement - Fulford FP20
- PROW Stiles for gates

- PROW - Rufforth Footbridge
- Riverbank Repairs (PRoW)

## **Highways**

107. The Highways Asset Management team are responsible for maintaining over 800km of carriageways and footways across the City of York Council area, our teams manage a wide range of highways assets serving this network including (but not limited to) streetlighting, bridges and drainage assets.
108. An overview of the outcomes of capital investment across the service area in 2025-26 is given below:

## **Resurfaced Roads**

109. Ten Carriageway Repair & Replacement schemes were successfully delivered, with a total newly resurfaced area covering approximately 60,000 m<sup>2</sup>.
110. Eight Large Patching Schemes were successfully delivered with a total area covering approximately 12,000 m<sup>2</sup>.
111. Seven Surface Dressing schemes were successfully delivered with a total area covering approximately 70,000 m<sup>2</sup>.

## **Footpaths**

112. Footway repair and replacement schemes have been successfully delivered at the following listed locations:
- Keble Park South
  - Jackson Street
  - Lamplugh Crescent
  - Shirley Avenue
  - Lendal
  - Blake Street
  - Huntington Road
  - Drummond View
  - Foss Islands Link Road

113. Footway slurry seal repair schemes have further been delivered at the following listed locations:

- South Lane Haxby
- St Benedicts Road
- Albemarle Road
- Walmgate Stray
- Bridge Lane

### **Highway Structures Maintenance**

114. Structural Reviews of assets at Haxby and Strensall have been carried out in 2025/26, to comply with the Council's obligations, in relation to The Management of Highways Structures Code of Practise. All new information has been updated on the Council's Structural Asset Management System (AMX).

115. In addition to this:

- General inspections of fifty existing highway structures have been completed, which will provide reports, noting any defects and the proposed remedial works required to these structures. All information has now been updated on the asset management system (AMX).
- Diving Inspections have been carried out at 10 separate locations on the River Foss and River Ouse.
- Principal Inspections have been carried out on structural assets at Layerthorpe and The Tannery in Strensall.

### **Street Lighting Columns**

116. Street lighting asset renewal programmes were successfully delivered at both Strensall and Acomb.

117. Further Lighting Upgrades to LEDs at Skeldergate and Ouse Bridges have been completed, within the financial year, which will improve the illumination of the bridges, and reduce maintenance.

118. LED upgrades have also been carried out under the Net Zero funded programme. The works involved the upgrade of 500 existing lighting units, to LED luminaires.

## **City Walls Maintenance**

119. A major conservation project on Bootham Bar, involving structural repairs to the existing roof, and the installation of a new lead roof covering, was successfully delivered within the financial year.

## **Drainage**

120. In 2025/26 more than twelve individual improvement schemes have been completed, which have alleviated localised flooding issues as part of the specific Proactive Investigations & Repair Programme. This programme will continue into 2026/27.
121. The team have resolved a longstanding flooding issue on the outboard lane at Heworth Green, which included the installation of a piped road crossing, and new connection into the existing sewer system.
122. A major repair scheme was delivered on the A59 drainage system, which has included significant pipe jetting, gully cleaning and iron work replacements.
123. Further repair works have been carried out to the drainage system on Hull Road. Various gullies have also been repaired on Albermarle Road and at required locations on Tadcaster Road.
124. A 5ft deep by 5ft wide void was identified in the inbound traffic lane outside York Theatre Royal on St Leonards Place, which represented an immediate risk to road users and the public. The drainage team acted quickly in appointing a specialist contractor, with the capability of operating at 5m excavation depths, to investigate the issue, assess the competency of the existing sub ground, then reinstate the void with foam concrete, before reinstating the road construction in full. The cause of the problem was later found to be due to the demolished remains of the old City Wall and subsequent settling, occurring over many years.

## **Flooding Schemes**

### **Ousewem**

125. Ousewem, our strategic, catchment scale Natural Flood Management (NFM) project, has continued to progress our hydraulic and water quality modelling to help inform the most beneficial locations for NFM across the

3500km<sup>2</sup> SUNO catchment. Ousewem has delivered 13 completed natural flood management projects, providing 5,246 m<sup>3</sup> of effective water storage, helping manage flood risk to the communities of Arkengarthdale, Appersett & Hawes, Masham, Hunton and Bishop Monkton. Ousewem has a further 10 projects in development for delivery in 2026. Ousewem is progressing work which helps quantify the multiple benefits of natural flood management techniques and how these can be marketed for investment. Work has commenced on the Ousewem Financial Strategy which will outline investment opportunities for future NFM delivery in North Yorkshire and York. Ousewem has delivered a successful Local Levy bid, which provides funding to City of York Council to host a project manager and a farm delivery officer for a further 2 years, (2027-2029) extending the legacy of the project. We continue to work with multiple partners across the region to share our innovations as well as presenting our work at a number of conferences and climate change events.

### **Germany Beck**

126. The Germany Beck project is being progressed. Contractors WSP, JBA and AOC Archaeology have been commissioned to support in the discharge of planning conditions (including a series of surveys) and the drawing up of contract and design documents. A number of documents and surveys have been reviewed/undertaken to ensure that the relevant information can be submitted to the planning authority to comply with the planning conditions. An outline business case has been submitted to the Environment Agency to 'assure' the project and enable the draw down of funding. The Flood Risk team have been working with legal and procurement to ensure the procurement meets with best value. The contract for delivery of the scheme will go out to tender in the summer of 2026 with construction intended to start on site in the Autumn of 2026.
127. Flood Contributions Scheme – The scheme is to be used for the Germany Beck Flood Alleviation Scheme. £1,495k is proposed to be reprofiled to 2027/2028.

### **Fleet**

128. In 2025/26, a total of 56 new fleet vehicles were delivered to the Council and have entered service. These vehicles replace assets that had reached the end of their planned operational life and will reduce unplanned maintenance demands. They also deliver environmental

benefits, with either zero tailpipe emissions or compliance with the latest emissions standards, alongside enhanced safety features for drivers and operatives. A further 38 vehicles, with a total value of £2.04m, have been ordered and are awaiting delivery in 2026/27.

## **Major Projects**

### **York Outer Ring Road (YORR)**

129. In 2025/26, expenditure on the York Outer Ring Road Project totalled £306k. This was utilised to re-procure contracts with our designers and land agents to work up the detailed phasing strategy required as a condition of our planning permission and reflecting the funding envelope available for construction, as per the July 2025 executive decision and subsequent West Yorkshire Combined Authority approval given to divert funds to support York Station Gateway.
130. As suggested in the 4<sup>th</sup> November 2025 Executive paper on Castle Gateway, a transfer of source funding has been effected by WYCA, transferring £3.5m of WYCA Transport Fund (TF) from Castle Gateway to YORR, and a matching transfer of CYC internal capital funding of £3.5m from YORR to Castle Gateway. This will allow complete use of the WYCA TF.

### **York Station Gateway**

131. The York Station Gateway programme is made up of 5 packages of work. Progress for the year to 31st March 2026 can be summarised as follows:
- Package 1 (Utility Diversionary Work) – 95% complete.
  - Package 2 (Highways Works) closing stages of construction – 75% complete.
  - Package 3 (Station Works) will be delivered in partnership with LNER and are currently in the design stage with a planned works commencement in Spring 2027 which will run for approximately two years. – Circa 5% complete
  - Package 4 (Loop Road Works) which involves the purchase of land from Network Rail is expected to commence on site in Spring 2027 and take approximately one year – Circa 10% complete.

- Package 5 multi-storey car park (MSCP) funded and delivered by Network Rail commenced delivery with an enabling scheme which began in October 2025 and is due to complete in June 2026. This will be followed by the main works contract due to commence in Summer 2026 with a one-year delivery programme - Circa 20% complete

132. In 2025/26 the expenditure for the whole YSG programme was £11.621m the majority of this is attributed to Package 2.

133. Package 2 – Highways works – delivery milestones achieved in 2025/26;

- Creation of the new bus stands and associated Public Realm on both sides of Station Rise.
- Installation of the critically important new Retaining wall to safeguard the existing historic City Walls (from Micklegate to Tofts Tower)
- Relocation of all existing services to accommodate the new Road and Public realm, following the removal of the Bridge Access Road.
- Installation of a new LV infrastructure to support additional electricity capacity in the Queen Street / Station Rise locale.
- Completion of the external fabric of the new Electrical Substation Building
- Removal of the existing Station Portico Canopy.
- Maintained Pedestrian, Cycling, Bus, Taxi and Motor transport access around the Station during complex construction operations.
- WYCA undertook a programme review to provide project assurance and establish a new baseline for the project. This was successful and gave permission for the WYCA Transport fund to be reallocated in accordance with the July Executive decision.
- Progress made on the Deed of Variation (DoV) for the LNER managed Package 3 works.
- Progress made on the WYCA 'stepping-in' legal rights within the DoV.

134. Package 3 – Station works – delivery milestones achieved in 2025/26;

- The scope of the project, in terms of the Train Operator Companies positioning in the Training Academy on the Station, has changed. Originally this was planned as demountable units within the station which was changed to be relocated to the RI Building, now this is

being redeveloped through refurbishment of existing accommodation within the station.

- Progress made with LNER to finalise the scope of Package 3, this will confirm the required budget as well as identify any potential Planning issues remaining.

135. Package 4 – Loop Road works– delivery milestones achieved in 2025/26:

- Progress made on design development team through collaborative working with Network rail and LNER working through design, sequencing, delivery planning, interfaces and dependencies with other Packages.
- Progress made in terms of agreeing the land purchase (red-line) boundary with Network Rail and the process of purchase has commenced.
- The concept design and layout to accommodate all parties has been agreed and detailed design has commenced.
- Progress has been made with phasing plans being finalised to allow package 4 and package 5 to be undertaken concurrently.

136. Package 5 – Multi Story Car Pack (MSCP) works – delivery milestones achieved in 2025/26:

- Network Rail entered into an enabling works contract for the MSCP and works commenced on site in October 2025 and is due to complete summer 2026.
- The contract for the main works was tendered by Network Rail and due to commence on site Summer 2026 and complete Summer 2027.

137. In the July 2025 Executive report, the funding for the whole programme was identified as £54.7m and the completion date for Package 2 was January 2026. Through the course of monitoring in 2025/26, several additional issues have come to light which have led to the prolongation of Package 2 to Summer 2026, including the following:

- The W2 wall is a section of new retaining wall built around the remnants of the Queen St bridge demolished earlier in the Package 2 programme. This section of wall connects the new piled section of retaining wall and the section of retained Victorian wall in front on the historic City Walls. The W2 wall design could not be completed in line with programme, as the tender design had to be reconsidered

once the Queens Street bridge was removed and access was possible. This delayed progress in Queens Street section. Once issued, the revised design was more complex than the original scope, which added and increased activity durations, this delayed the critical path activities on site.

- A historic Victorian attenuation tank for the portico drainage was found during excavation works onsite, this structure was not on any historic plans and not documented by the Rail Industry. The tank, over a metre below ground, had to be emptied of silt and backfilled to make it safe. The drainage, for Portico area, then had to be redesigned to go around the tank and pick up the Victorian Portico drainage that originally went into the tank.
- Portico canopy removal (section12). A structural survey of the old bus stop canopy outside the Portico was undertaken during the establishment of works in Section 12. This was found to be unsafe. Section 12 works stopped for circa 5 days, with further delay caused by the demolition activities to remove the canopy, which was subject to Rail Industry approvals. Time was also added to go back and complete works that could not happen whilst the canopy was insitu i.e. drainage connections and paving works under the canopy footprint.
- P2 manhole relocation (section12). This work resulted in additional cost and delay as new locations for the manhole had to be proofed through trial holes before the design was changed. This area of the site was congested with services, which necessitated the change and trial dig.
- The British Telecom (BT) and Northern Powergrid (NPG) ducting on the former Network Rail land was installed as part of the Package 1 utilities diversions. A section of ducting provided for NPG's High Voltage Cable works was found to be defective and required remediation. This required NPG involvement and additional work from Sisk. The investigations, redundant services removal and NPG lead times have delayed other elements of Section 9a contract works.

- Levels issue outside Section 12. The original scope of the project was to complete a full reconstruction of the road outside the Station. However, this was changed to mitigate delay, and cost increases due to other events. The levels information was inaccurate in one location i.e. the road level was too high. Therefore, this area of carriageway needed to be excavated and rebuilt to the design levels.
- Substation NPG Lease Agreement delay. As part of the substation relocation NPG will be required to supply equipment and energise their part of the substation. However, this cannot be done until the lease agreement is signed for NPG's room. This has been delayed due to disagreement between NPG and the Rail Industry regarding the notice periods for access rights to station land. In addition, a new requirement to submit additional Rail Industry approvals for the proposed equipment is causing delay.

138. The current forecast outturn for the YSG programme is £60.104m. This includes the additional cost for Package 2 associated with the professional team and the CYC internal resource of c.£0.9m, and £3.9m for increase in the contractor's costs related to the issues above as at 31st March 2026. For Packages 3 & 4 a further prolongation increases the cost of professional fees and CYC internal resource by an estimated £0.6m.

Funding	July 2025 £'m	April 2026 £'m	Change £'m
West Yorkshire Transport Fund	33.331	33.331	0.0
WYCA Transforming Cities	13.117	13.117	0.0
Contribution from Capital Bus Grants	3.800	3.800	0.0
YNYCA Transport Grant	3.956	3.956	0.0
Virement of Integrated Transport and Highway mtce budgets	0.0	5.400	5.4

LNER Contribution	0.500	0.500	0.0
<b>Total Funding</b>	<b>54.704</b>	<b>60.104</b>	<b>+5.4</b>

Table 2: York Station Gateway, forecast expenditure and funding

2. It is proposed that the increased projected cost of £5.4m is funded from budgets that are currently set against Integrated Transport Schemes. This is currently funded from a number of sources the breakdown being
- a. CYC Borrowing £3,785k
  - b. LTP Grant underspend £860k
  - c. Other grants £334k
  - d. Transport Systems Reallocation
    - 2025/26 £262k
    - 2026/27 £159k

### Haxby Station

139. The project is now in the process of being resumed following the Government announcement in July 2025 which confirmed that this project was to be funded to full delivery within the DfT's Rail Network Enhancements Pipeline (RNEP). Delivery of the new station to be led by Network Rail, supported by City of York Council and York & North Yorkshire Combined Authority, as principal stakeholders.
140. The Council remains committed to its delivery and is the current freehold owner of the site of the new station following land acquisition a number of years ago. More specifically, the Council is responsible for providing the associated highways works and measures to enhance active travel within the area. The programme for delivery of the full project has subsequently been prolonged with the estimated date for completion of the new station and it's opening now slipped to the 2028/29 financial year.
141. Network Rail have a planning application still pending, determination having been delayed due to the previous funding uncertainty and statutory requirements to undertake further ecological surveys/investigations for protected species on-site (these having been concluded during 2025). Determination of this application is now expected early in 2027. The council is now working to produce detailed designs of the highways works which it has responsibility for, ready for anticipated delivery in 2027, with trains due to be operational in 2028.

## **City Development**

### **Castle Gateway**

142. In November 2025, Executive considered the business case for Castle & Eye, and agreed the progression of the scheme to procurement. This followed submission of updated scheme designs for planning in July 2025, with the scheme granted planning approval by committee in December 2025. Work on preparing tender documentation is underway, and in support of this, additional design work has been undertaken on discrete works. Works will be tendered shortly and delivery is anticipated to commence late in 2026/27. £200k of investment into Coppergate Carpark was approved in the November Executive. Funding bids have been submitted to YNYCA, in accordance with Executive approvals, for the final element of project funding, and outcomes are expected imminently to be reflected in future capital reporting. Additional funding has been secured from the Mayoral Combined Authority Vibrant Highstreets fund to deliver additional digital interpretation works as part of the project.
143. As suggested in the November 2025 Executive report, a transfer of source funding has been effected by WYCA, transferring £3.5m of WYCA Transport Fund (TF) from Castle Gateway to YORR, and a matching transfer of CYC internal capital funding of £3.5m from YORR to Castle Gateway. This will allow complete use of the WYCA TF.

### **Cultural Asset Masterplan/Heritage Programme**

144. The September 2025 Executive meeting agreed to allocate £250k from the capital contingency budget to invest in a cultural asset masterplan. Should further funding be identified, this should be used instead. An outline programme has been developed with a strategic plan being co-developed with sector leaders and is due to be completed by September 2026.
145. The strategic plan will set out priorities for how the city's heritage, including priorities and timescales for capital investment.

## York Central

146. The project funding position for York Central was reprofiled in 2024/25 to reflect an updated funding agreement with project partners. The key change was that the £35m CYC contribution towards IP2 site infrastructure work moved to 2025/26 onwards. The developer teams have recently made us aware that their forecast drawdown profile against project expenditure has changed again and a change request has been submitted by the developer teams to bring the grant funding agreement in line with the new profile. The changes are reflected in the updated capital programme.
147. Delivery of **York Central Highway Infrastructure** - The Spine Road has now been completed, and Part 1 Certification has been issued by the Authority, enabling the stopping up process to commence. Phase 2 of the scheme is progressing, with works underway on the ECML bridge lift, which will deliver a direct connection between the site and Water End.
148. Phase 2 – **Spine Road Connection** Looking ahead, a planning application for the next phase of York Central was received in December 2025, and officers will continue to work closely with key stakeholders to progress the associated Reserved Matters Application (RMA5). Further engagement with stakeholders will also continue to support the Wilton Rise Footbridge application

## Carbon Reduction Schemes

149. The Climate Change programme capital spend for 2025/26 was £365k, against a start budget £1,964k. The following schemes and funding were as follows:
  - Northern Forest Government grant - £20k on improvement works to the York Community Woodland and urban tree planting as part of the York Green Streets project
  - Public realm northern forest contribution - £6k for ongoing maintenance and watering of the Green Streets trees
  - Solar Mayoral Renewables Fund - £282k Installation of rooftop solar PV at Yearsley Swimming Pool, Little Knavesmire Pavillion, Pine Trees Care Centre, Elvington School, St Mary's School and Joseph Rowntree School

- CYC matching Solar Mayoral Renewables Fund - £57k as above, but also additional survey work at Acomb Library and Moor Lane Youth Centre.
150. A decision is still pending regarding the potential land purchase for additional car parking at the York Community Woodland – engagement and surveys have been carried out over summer, with data currently being analysed. An assessment will be made following the conclusion of this work.
151. £429k is allocated next financial year to progress the solar opportunities at Acomb Library and Moor Lane Youth Centre. Exploratory work is also underway at Clifton Eco Business Centre and York Crematorium for decarbonisation work.
152. Ongoing maintenance and watering of the York Green Streets trees will continue for a further 3 years, funded by the grant from the White Rose Forest.

### **Property Services**

153. Property had a capital starting budget of £2,323k for 2025/26 including £644k slippage from 2024/25. Earlier Monitors have reported slippage of £1,008k. The final outturn was £933k and so a further £385k is put forward as slippage at outturn.
154. Projects undertaken from the Asset Maintenance budget this year include:
- Works to the Shambles windows and roofs facing the street have been completed.
  - Works to replace the boiler system at The Avenue facility have been completed.
  - Structural repairs at Castlegate have been completed.
  - Following works on the LED replacement scheme to West offices and Hazel Court, further LED install work has been completed to the vehicle repair facility at the depot.
155. Works to the salt barn at Hazel Court planned for this coming Summer and roof works at Hazel Court being investigated as part of specification of works and future procurement. The remaining Asset Maintenance budget of £147k is requested to be slipped to 26/27.

156. Works to improve the data cooling system at West Offices are well underway with a completion date set for early in 2026/27. It is requested that the remaining West Offices repair budget of £100k is retained and slipped to next year. Works are required to some ceiling areas and preliminary surveys underway.
157. Works to upgrade fire alarm system at Robinson Court are also underway and expected to complete in 2026/27.
158. Bathroom works to Union Terrace currently being furthered with specification of works being drawn up as part of the procurement process and the budget for the works were slipped into next year at monitor 3.
159. As the Guildhall new riverside unit is vacant, £97k of the budget was slipped to 26/27 at monitor two. Since then, the Council has received firm interest, and it is now under offer. We are proposing to undertake the works to install gates, in conjunction with the interested party, which will likely follow their fit out works later this financial year.

### **Corporate Services – ICT**

160. The ICT capital programme had a start budget of £4,109k for 2025/26. At previous monitors, slippage of £503k was reported. At outturn, expenditure totalled £1,507k with a request to slip a further £1,807k to 2029/30.
161. The work of the ICT service supports and enables the council, partners and the city on many different levels. Examples this year include:

### **Digital Council**

A number of systems have been implemented, replaced, upgraded or continued to be further developed this year, these include:

- Completion of the move of iTrent from on premise to Cloud
- Replacement of our BACS payment system from Bottomline to Paygate
- Launch of the City Walls donation points in Summer 2025
- Upgraded Exchange and Citrix
- Ongoing work to upgrade our servers to 2025
- Major project on our CRM system, moving away from Oracle and onto Granicus

- Progression of the Digital switchover work including cessation of analogue telephone lines

### **Digital Staff**

The majority of our work under this theme has been our involvement on the Working as One programme where ICT have provided significant support and resource commitment into the establishment and progression of this fast paced and evolving council priority. Our involvement has included:

- Successful rollout of AOVPN and upgrading of our laptop estate to Windows 11
- Refresh replacement of the SystemOne laptop estate across the authority
- Continuing work with the rolling refresh programme of the main laptop estate
- Ongoing work to review AI to support our work including CoPilot and Magic Notes
- Completion of the rollout of the new Canon MFD devices in February 2026
- Implementation of new tablet devices across Building Services

### **Digital City**

- Successful rollout of AOVPN and upgrading of our laptop estate to Windows 11
- Refresh replacement of the SystemOne laptop estate across the authority
- Continuing work with the rolling refresh programme of the main laptop estate
- Ongoing work to review AI to support our work including CoPilot and Magic Notes
- Completion of the rollout of the new Canon MFD devices in February 2026
- Implementation of new tablet devices across Building Services

### **Funding the 2025/26 Capital Programme**

162. The 2025/26 capital programme of £81.948m has been funded from £35.115m external funding and £46.833m of internal funding. The internal

funding includes resources such as revenue contributions, Supported Capital Expenditure, capital receipts and reserves.

163. 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 2026/27 – 2029/30 Capital Programme**

164. The restated capital programme for 2026/27 to 2029/30 split by portfolio is shown in table 3. The individual scheme level profiles can be seen in Annex 1.

<b>Gross Capital Programme</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
Children's services	16.738	0.187	-	-	<b>16.925</b>
Adult Social Care	0.903	0.752	0.776	0.800	<b>3.231</b>
Housing	30.245	42.972	32.752	17.179	<b>123.148</b>
Communities	2.452	-	-	-	<b>2.452</b>
Transport, Highways & Environment	53.139	67.592	71.621	34.312	<b>226.664</b>
City Development	2.942	37.010	8.640	-	<b>48.592</b>
Property Services	1.598	0.850	0.325	0.275	<b>3.048</b>
ICT	2.293	3.4700	3.320	4.627	<b>13.710</b>
Corporate Services	2.580	0.394	0.200	0.369	<b>3.543</b>
<b>Revised Programme</b>	<b>112.990</b>	<b>153.127</b>	<b>117.634</b>	<b>57.562</b>	<b>441.313</b>

**Table 3 – Restated Capital Programme 2026/27 to 2029/30**

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

	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>Total £m</b>
<b>Gross Capital Programme</b>	<b>112.990</b>	<b>153.127</b>	<b>117.634</b>	<b>57.562</b>	<b>441.313</b>
Funded by:					
External Funding	55.710	51.600	52.275	18.729	<b>178.314</b>
Council Controlled Resources	57.280	101.527	65.359	38.833	<b>262.999</b>
<b>Total Funding</b>	<b>112.990</b>	<b>153.127</b>	<b>117.634</b>	<b>57.562</b>	<b>441.313</b>

**Table 4 – 2026/27 –2029/30 Capital Programme Financing**

166. 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.
167. In financing the overall capital programme, the Chief Finance Officer 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.

## **Organisational Impact and Implications**

168. The report has the following implications:

- **Financial** – Contained throughout the main body of the report. Given the forecast financial position of the Council and the need to reduce expenditure, there will be a review of the capital programme. This review will need to identify ways in which capital expenditure can also be reduced.
- **Human Resources (HR)** – There are no direct HR implications as a result of this report. Any variations to the capital programme that have staffing implications will follow appropriate consultation and HR policies and procedures.
- **Legal – Yorkshire Museum Capital Scheme**

### Security over the Yorkshire Museum in favour of ACE

ACE has requested a 20 year first ranking legal charge over the Yorkshire Museum to secure its funding contribution to YMT's project. However, this cannot be granted. The Museum and Gardens are held on charitable trust under the Yorkshire Museum & Gardens Scheme dated 9th October 2009 (the 2009 Scheme), with the Council acting as custodian trustee and YMT as managing trustee. The 2009 Scheme requires the assets to be retained for the charity's objects, meaning they operate as permanent endowment. Permanent endowment cannot be charged or disposed of unless expressly authorised or approved by the Charity Commission. The

Scheme contains no such power, so neither the Council nor YMT can lawfully create a charge in favour of ACE. Officers are working to identify whether any alternative means of securing ACE's funding contribution exist.

### Match funding from the Council to YMT

The Council has power to provide the £200,000 match funding under the General Power of Competence in the Localism Act 2011. In addition, the Local Government Act 2003 governs financial assistance and prudential spending. Legal advice must be sought to ensure appropriate consideration is given to the Subsidy Control Act 2022 in respect of any grant funding terms and conditions between the Council and YMT for the £200,000 match funding.

### General Report

Whilst this report itself does not have any further legal implications, the schemes within the capital programme themselves will be in receipt of legal advice where necessary.

- **Procurement** – Whilst there are no direct procurement implications relating to the report itself, procurement will be a main tool used to deliver schemes in the capital programme. Any services or works required, will be procured in accordance with the Procurement Act 2023 and the Council's Contract Procedure Rules. Further advice regarding the procurement process and development of procurement strategies must be sought from the Commercial Procurement team.
- **Health and Wellbeing** – Reductions in spend in some areas could impact on the health and wellbeing of both our staff and residents. The impact of any reductions in the capital programme will be carefully monitored so that implications can be considered and mitigated where possible.
- **Environment and Climate action** – As this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct environment and climate action implications as a result of this report.

- **Affordability** – As this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct affordability implications as a result of this report.
- **Equalities and Human Rights** – As this report is mainly for information to update on the progress of delivery of schemes within the programme, there are no direct equalities and human rights implications as a result of this report. All individual schemes will be subject to Impact Assessments in the usual way.
- **Data Protection and Privacy** – As there is no personal data, special categories of personal data or criminal offence data being processed, there is no requirement to complete a data protection impact assessment (DPIA).
- **Communications** – The information set out in this report does not have any specific communications implications. The finance and performance monitor report elsewhere on this agenda includes details of the communications activity in relation to the overall council finances.
- **Economy** – There are no direct implications related to the recommendations.

## **Risks and Mitigations**

169. 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.

## **Wards Impacted**

170. All wards are impacted by the issues detailed in the report.

## **Contact details**

For further information please contact the authors of this Decision Report.

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## Background papers

Capital Budget 2025/26 to 2029/30 – Executive 21 January 2025

Capital Programme Outturn 2024-25 – Executive 15 July 2025

Capital Monitor 1 – 2025/26 – Executive 2 September 2025

Capital Monitor 2 – 2025/26 – Executive 4 November 2025

Capital Monitor 3 – 2025/26 – Executive 27 January 2026

## Annexes

Annex 1 – Capital Programme 2026/27 to 2029/30

## Glossary of abbreviations used in the report

ACE	Art Council England
AI	Artificial Intelligence
AOVPN	Always On Virtual Private Network
ASC	Adult Social Care
BACS	Bankers' Automated Clearing Services
BSIP	Bus Service Improvement Plan
BT	British Telecom
CCS	Crown Commercial Service
CCTV	Closed Circuit Television
CRM	Customer Relationship Management
CYC	City of York Council
DFG	Disabled Facilities Grants

DoV	Deed of Variation
DPIA	Data Protection Impact Assessment
DSG	Disability Support Grant
ECML	East Coast Main Line
EPC	Energy Performance Certificate
ETRO	Experimental Traffic Regulation Order
EV	Electric Vehicle
EZ	Enterprise Zone
FLIP	Future Libraries Investment Programme
GSM	Global System for Mobile communication
HM	His Majesty's
HR	Human Resources
HRA	Housing Revenue Account
ICT	Information and Communication Technology
IP	Internet Protocol
IP2	Infrastructure Package 2
LCWIP	Local Cycling and Walking Infrastructure Plans
LED	Light Emitting Diode
LEVI	Low Emission Vehicle Infrastructure
LNER	London & North East Railway
MEND	Museum Estate and Development Fund
MFD	Multi Functional Devices
MHCLG	Ministry of Housing Communities and Local Government
MSCP	Multi Story Car Park
NFM	Natural Flood Management
NPG	Northern Powergrid
P&R	Park & Ride
PGS	Parking Guidance System
RIBA	Royal Institute of British Architects
RNEP	Rail Network Enhancements Pipeline
SUNO	Swale, Ure, Nidd, and Ouse (Upper)
RTI	Real Time Information
TRO	Traffic Regulation Order
TF	Transport Fund
TSAR	Traffic Signal Asset Renewal
UTC	Urban Traffic Control
WYCA	West Yorkshire Combined Authority
YMT	York Museums Trust
YNYCA	York North Yorkshire Combined Authority
YORR	York Outer Ring Road
YSG	York Station Gateway