

Policy Committee – 6th June 2017

CAPITAL PROGRAMME OUTTURN REPORT - 2016/2017



Report of the Strategic Manager – Financial Services (s151 officer)

Lead Member – Financial Resilience: Councillor Mulligan

Ward(s) affected: All

1. Purpose of Report

- 1.1 To inform Members of the outturn position of the Council's capital programme for 2016/17 and the sources of financing.

2. Recommendations

- 2.1 Members note the outturn position of the 2016/17 capital programme;
- 2.2 Members note how the 2016/17 capital programme has been financed.
- 2.3 Members confirm the carry forward of £2,008,462 for the continuation of 2016/17 projects in 2017/18.

3. Background Information

- 3.1 The Council agreed the 2016/17 Capital Programme of £1,531k on 16th February 2016. On 7th June 2016 Council endorsed the recommendation from Policy Committee for the capital programme to include £1,500k of slippage from the 2015/16 Programme. In addition approved supplementary estimates of £1,079k were added to the programme. The Programme was subsequently reduce by the termination of a project, £23k and the 16/17 element of the Aireview House Project, £400k, which has been transferred to the 17/18 programme.. This gave a total Capital programme of £3,687k.
- 3.2 Members have been updated with quarterly programme monitoring reports throughout the year, the last of which showed the position as at 31st December 2016 (quarter 3) when total expenditure was forecast to be £781k.
- 3.3 The third quarter report identified projects which would slip and they were included in the 2017/18- 2019/20 programme. The report indicated further projects that could be subject to slippage. As part of the year end process the projects needing to be slipped into 2016/17 have been confirmed at £2,008k.

4. **Final Outturn**

- 4.1 Total expenditure for 2016/17 is £1,344,079. Appendix A shows the outturn against budget for projects within the programme.
- 4.2 Managers of projects, on which expenditure totalling £887,895 has been committed but not fully defrayed or commenced, have submitted requests for this to be budget carried forward to 2017/18 and these are included in the total slippage value. This information is shown at Appendix A. This information is summarised in Table 1.

Table 1: Planned Capital Programme Outturn

	Total Revised Programme 2016/17 £	Actual Outturn 2016/17 £	Variance 2016/17 £	Slippage Requested 2016/17 £
Council Properties	2,060,680	916,424	(1,144,256)	1,031,413
Recreation & Leisure	142,198	50,905	(91,293)	67,503
Vehicle replacements	795,600	56,940	(738,660)	733,218
IT facilities	196,560	89,256	(107,304)	94,895
Private Sector Housing	492,317	230,554	(261,763)	81,433
Total Capital Programme Costs	3,687,355	1,344,079	(2,343,276)	2,008,462

5. **Capital Programme Financing**

- 5.1 Previously The Council has predominantly used capital receipts or borrowing to fund its capital programme. Capital receipts are a finite resource and the projects identified will eventually exceed the resources available. During the 16/17 year the funding of the programme utilised Grant funding for a number of projects where possible.
- 5.2 As part of the 2016/17 budget setting process it was planned to make contributions to earmarked reserves and which are available to support the capital programme and other projects. The Long Term Financial Strategy assumes that these contributions will need to continue. In addition as part of the 2016/17 year end, additional contributions are intended to be made from the in-year savings. The exact amounts will be confirmed as part of the Revenue Budget Outturn report.
- 5.3 A summary of the resources available to fund the capital programme are shown in table 2. The information in the table includes the funding for slippage to be carried forward to the 2016/17 programme.

Table 2: Capital Resources Available & Utilised to Fund 2016/17 Programme

	2016/17 Outturn £'000	2016/17 Slippage £'000	2017/18 Indicative £'000	201718 Revised prog. £'000
Capital Receipts & Grants at Start of Year (CRR)	2,584		2,643	2,643
In Year resources - (Capital Grants/receipts received)	1,110		1,362	1,362
Use of in Year Capital grants	700	84	1,122	1,206
Use of Capital Receipts	351	319	527	846
Total Use of Capital Resources	1,051	403	1,649	2,052
Contribution From NHB Reserve	35	67	230	297
Contribution From Enabling Efficiencies Reserve	21	44	-	44
Contribution From Vehicles Reserve	57	273	190	463
Contribution from IT Reserve	73	95	185	280
Contribution from Buildings Reserve	107	153	106	259
Utilisation of Borrowing (MRP Capacity)	-	973	100	1,073
Total Use of Reserves/Borrowing	293	1,605	811	2,416
Forecasted Capital expenditure in year as per Appendix A	1,344	2,008	2,460	4,468
Capital Receipts & Grants at end of Year	2,643		2,356	1,953

- 5.3 The funding analysis above reflects the utilisation of the resources that were made available for each project. Where these projects require slippage into 2017/18, the funding will be slipped to match. Slipped projects can be seen in Appendix A and are summarised in Appendix B.
- 5.4 The Shared Ownership Scheme is included in the table above for its funding allocation. Table 3 presents the project on an individual basis to show the performance over the year. The balance of the project will be carried forward to fund further acquisitions.

Table 3: Shared Ownership Summary of Activity

Description	£ '000
Approved funding	250
Purchase of Plots (including legal fees)	(207)
Sale of Plot s (including legal fees)	176
Closing Balance	219

6. Implications

6.1 Financial and Value for Money Implications

At the start of 2016/17 the Council had available £2,584 of capital resources to fund its capital programme. During the year £1,051k of additional resources were generated or received. All financial implications are contained in the body of the report.

6.3 Legal implications – None Relevant

6.4 Contribution to Council Priorities

Capital investment in appropriate projects contributes directly to most corporate priorities.

6.5 Risk Management

There are risks inherent with the recommendations specified in this report. If the request for the previously approved funding not be approved it will mean the immediate cessation of key projects that are currently underway. This will mean that the resources utilised to date will be lost, with no benefit for The Council being generated. There is also the potential that this will forgo future benefits, both economic and social to The Council and the District as a whole.

6.6 Equality Impact Assessment

The Council's Equality Impact Assessment Procedure **has been** followed. An Equality Impact Assessment **has not** been completed on the proposals as completion of **Stage 1- Initial Screening** of the Procedure identified that the proposed policy, strategy, procedure or function **does not have** the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

7. Consultations with Others – None

8. Access to Information : Background Documents

None

9. Author of the Report

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10. Appendices

Appendix A – Capital programme detailed analysis
Appendix B – Capital Slippage requests summary 2016/17

Capital Programme 2016/17

Service Unit	Description	Budget Officer	Total 16/17 programme	Outturn at end Q4	Remaining Budget	Slippage Request	Q4 Comments - including timeline for procurement and delivery & Justification for Slippage
Asset & Facilities Mgt	Skipton Town Hall Concert Hall Works	Ian Halton	250,000	246,912	3,088	3,088	Complete. Stage lighting and sound system, new seating, induction loop, demountable stage, acoustic panels have all been procured and the glazing in the concert hall replaced.
Asset & Facilities Mgt	Skipton Town Hall & Museum Refurbishment & Alterations - Town Hall Roof	Ian Halton	180,000	39,899	140,101	140,101	Contractors have been on site renewing the roof since January 2017, work will be completed by the end of April 2017. Some inclement weather has impeded the program
Asset & Facilities Mgt	Skipton Town Hall & Museum Refurbishment & Alterations - Museum HLF Bid Works	Ian Halton	481,500	-	481,500	481,500	The Design Team and HLF project staff have been in place since September 2016 developing the designs for the museum. The project runs until September 2017 when the HLF Stage 2 application is submitted.
Asset & Facilities Mgt	Skipton Bus Station Toilets	Ian Halton	49,000	4,963	44,037	44,037	Works will be completed by 14th April 2017. Slight delay due to additional foul drainage requirements.
Asset & Facilities Mgt	Ashfield Toilet Refurbishment for Settle TIC Scheme	Ian Halton	80,000	0	80,000	80,000	Not completed in year due to lengthy discussions on design. Planning application and business case to be submitted first quarter 2017/18. Th proposal is for two commercial units and TIC on the ground floor, 2/3 residential units bove.
Asset & Facilities Mgt	Skipton Depot Project	Ian Halton	250,000	9,280	240,720	240,720	Demolition of Engine Shed delayed until May to avoid disruption to during the implementation of co-mingling.
Asset & Facilities Mgt	Skipton Town Hall & Museum Refurbishment & Alterations - Town Hall Works	Ian Halton	259,830	241,041	18,789	18,789	Contractors have been on site since October 2016, landlord works are complete, intruder alarm is complete however the fire alarm installation is still to be undertaken. Contractor due to complete all works by end of April.
Bereavement Services	Kildwick Churchyard Wall	Ian Halton	22,000	2,822	19,178	19,178	work will be completed by the end of April 2017
Comms & Sports Development	Pump Track Aireville Park	Ian Halton	1,500	0	1,500	0	Project complete
Bereavement Services	Health and Safety Works to Crematorium Roof Void	Hazel Smith	18,000	11,944	6,056	-	All works have been completed, but no invoice yet received. Special Capital Creditors Form completed to accrue project value.

Service Unit	Description	Budget Officer	Total 16/17 programme	Outturn at end Q4	Remaining Budget	Slippage Request	Q4 Comments - including timeline for procurement and delivery & Justification for Slippage
Bereavement Services	Music System	Hazel Smith	10,000	10,000	-	-	Aproject completed, but no invoice yer received. Special Ccapital Creditors Form completed to accrue project value.
Communications, Partnerships & Engagement	Aireville Park Cableway	Sharon Hudson	15,698	15,698	0	0	
Craven Pool	Funding for a new pool cover	Hazel Smith	15,500	17,946	(2,446)	-	project complete and paid.
Craven Pool	Spinning Bikes	Hazel Smith	22,000	21,945	55	-	project complete and paid.
Craven Pool	Alterations to Café	Hazel Smith	60,000	61,419	(1,419)	-	Project complete but no invoice yet received. Special Capital Creditors Form completed to accrue project value.
Craven Pool	Craven Pool Software System Replacement	Hazel Smith	5,000	2,114	2,887	0	project complete and paid.
Craven Pool	Replace pool moveable floor panels and control unit terminal	Hazel Smith	-	0	-	0	
Economic Development	Settle Town Centre Plan	Sharon Sunter	15,000	0	15,000	0	Minute POL.718/15-16 agreed that the funding be used to improve the toilets on Whitefriars Car Park. Full Town Centre Plan still being developed - subject of a future
Economic Development	Ingleton Village Plan	Sharon Sunter	110,000	35,207	74,793	67,503	Still waiting for invoice from North Yorkshire County Council for new lighting columns. Slippage required to fund other activities in the Village Plan
Environmental Health & Housing Services	Disabled Facilities Grants to help private home owners make adjustments to their property	Wyn Ashton	492,317	230,554	261,763	81,433	Existing commitments from 16/17 Programme
Environmental Health & Housing Services	For acquisition of 3 shared ownership units *	Wyn Ashton	250,000	205,959	219,041	-	*3 dwellings purchased with 2 sold with the third in the process of being sold (see attached spreadsheet) External funding is capital receipt. A Supplementary estimate of £61748 was implied £100k at March Policy

Service Unit	Description	Budget Officer	Total 16/17 programme	Outturn at end Q4	Remaining Budget	Slippage Request	Q4 Comments - including timeline for procurement and delivery & Justification for Slippage
Environmental Health and Housing	Aireview House Refurbishment & Remodel	Wyn Ashton		-	-	-	Capital Expenditure on Aireview House will £750k with £372,394 Grant funding from the HCA. Project will begin in 17/18
Finance	Cash Management System Upgarde	Claire Hudson	500	0	500		Completed
Finance	Agresso Financial management System	Claire Hudson	2,500	0	2,500	2,500	Bank import fix on hold pending upgrade to Lloyds Link online to ensure any potential changes to download formats fully addressed - current work around in place. Awaiting timeline from Lloyds Bank on upgrade. Slippage
Finance	Payroll System improvements	Claire Hudson	12,000	0	12,000	12,000	Not yet commenced due to other work pressures within Finance and other teams required to support the project. Slippage The project will involve rolling out of Payroll self serve to Managers and staff. This will provide a number of options with regards to electronic payslips, absence management and creation and authorisation of expense claims. By Sept 2017 - Review of options/ business case to be re undertaken in inline with payroll audit recommendations - December 1t to March 18 - Commence self serve set up and roll out in the last quarter of the 2017/2018 financial year.
IT	VDI Infrastructure	Darren Maycock	40,000	33,206	6,794	-	Server will be consolidatred as part of SAN replacement remaining budget not required
IT	Computer Replacement Programme	Darren Maycock	50,000	8,840	41,160	41,000	Order being placed 3rd April, tied to SAN replacement
IT	Public Sector Network (PSN) Code of Connection (CoCo)	Darren Maycock	2,860	2,751	109	-	Work Complete remaining budget not required
IT	Upgrade VM ware Software	Darren Maycock	10,000	-	10,000	10,000	Order being placed 3rd April, tied to SAN replacement
IT	Replacement Planning Software System	Darren Maycock	55,000	26,346	28,654	29,395	Resource costs invoiced in March (£21,580 Inv Ref: 360000568, supplier NYCC), carry forward balance for project costs in 2017/18, Project End Dec 2017.
Parking Services	Parking payment machine replacement	Hazel Smith	40,000	21,159	18,841	-	project complete and paid.
Parking Services	Introduction/changes to 3 areas within the Council's car parks	Hazel Smith	44,850	10,150	34,700	4,000	Project timing slipped due to delays in completing Parking Places Order. Lining and signing works still to be undertaken at a cost of £4k.
Parking Services	Repairs & Relining Ingleton, Settle, Skipton Car Parks	Hazel Smith	28,000	10,985	17,015	-	project complete and paid.

Service Unit	Description	Budget Officer	Total 16/17 programme	Outturn at end Q4	Remaining Budget	Slippage Request	Q4 Comments - including timeline for procurement and delivery & Justification for Slippage
Waste Management	Vehicle replacements	Wyn Ashton	765,100	31,882	733,218	733,218	5 Vehicles ordered in 16/17 and will be delivered in 17/18
Waste management	Route optimisation software to help with waste collections	Wyn Ashton	18,700	16,000	2,700	-	Project completed
Waste Management	Waste Management Vehicle Reversing Equipment Aid and 360 Degree Camera System	Wyn Ashton	30,500	25,058	5,442	-	Project completed
			3,687,355	1,344,079	2,518,277	2,008,462	

* Further analysis of the Shared ownership Project

Description	£ '000
Revised Float	250
Sale	-
Purchase of Plot 5 Lords Close, Giggleswick (including legal fees)	(73)
Sale of Plot 5 Lords Close, Giggleswick (including legal fees)	88
Purchase of Plot 2 Lumb Croft Sutton (including legal fees)	(67)
Purchase of Plot 3 Lumb Croft Sutton (including legal fees)	(67)
Sale of Plot 3 Lumb Croft Sutton (including legal fees)	88
Remaining Float	219

Capital Programme Slippage Requests - 2016/17

Ref	Request Description	Account Code	Programme Description	Responsible Officer	2016/17 Revised Budget £	2016/17 Spend to 31st March 17 £	Balance £	2017/18 Slippage Request £
CAP01	DFG approved in 2016/17 to be paid in 2017/18. See form for detail.	6145	Disabled Facilities Grants	Wyn Ashton	433,307	244,264	189,043	81,433
CAP02	Agresso Upgrade - Bank Statement Import Fix on hold pending Lloyds Link update	6246	Agresso Financial Mgt System Upgrade	Claire Hudson	2,500	-	2,500	2,500
	Project will involve the Roll out of Self Service function of the new iTrent system - aim to be in place by Q4 2017/18.	6200	Payroll System improvements	Claire Hudson	12,000	-	12,000	12,000
CAP03	Computer Replacement Programme - Server replacements deferred until SAN procurement concluded to ensure compatible equipment specified.	6210	Computer Replacement Programme	Darren Maycock	50,000	8,840	41,160	41,000
	Upgrade VMWare Software - Deferred until server replacements purchased as part of Computer Replacement programme above, upgrade will be performed on new servers as part of replacement to minimise disruption.	6267	Upgrade VM ware Software	Darren Maycock	10,000	-	10,000	10,000
	Replacement planning Software, Resource costs invoiced for 2016/17, carry forward balance to 2017/18 for conclusion of project.	6266	Replacement Planning Software System	Darren Maycock	55,000	25,605	29,395	29,395
CAP04	No Justification given	6019	Skipton Town Hall Concert Hall Works	Ian Halton	250,000	246,912	3,088	3,088
	Contractors have been on site renewing the roof since January 2017, work will be completed by the end of April 2017. Some inclement weather has impeded the program	6021	Skipton Town Hall & Museum Refurbishment & Alterations - Town Hall Roof	Ian Halton	180,000	39,899	140,101	140,101
	The Design Team and HLF project staff have been in place since September 2016 developing the designs for the museum. The project runs until September 2017 when the HLF Stage 2 application is submitted.	TBA	Skipton Town Hall & Museum Refurbishment & Alterations - Museum HLF Bid Works	Ian Halton	481,500	-	481,500	481,500
	Works will be completed by 14th April 2017. Slight delay due to additional foul drainage requirements.	6050 C010 PC03	Skipton Bus Station Toilets	Ian Halton	49,000	4,963	44,037	44,037
	Not completed in year due to lengthy discussions on design. Planning application and business case to be submitted first quarter 2017/18.	6050 C010 PC04	Ashfield Toilet Refurbishment for Settle TIC Scheme	Ian Halton	80,000	-	80,000	80,000
	Demolition of Engine Shed delayed until May to avoid disruption to during the implementation of co-mingling.	6036	Skipton Depot Project	Ian Halton	250,000	9,280	240,720	240,720
	Contractors have been on site since October 2016, landlord works are complete, intruder alarm is complete however the fire alarm installation is still to be undertaken. Contractor due to complete all works by end of April.	6017	Skipton Town Hall & Museum Refurbishment & Alterations - Town Hall Works	Ian Halton	259,830	241,041	18,789	18,789
work will be completed by the end of April 2017	6047	Kildwick Churchyard Wall	Ian Halton	22,000	2,822	19,178	19,178	
CAP05	Delays to the Completion of Parking Places Orders - so associated signage and lining works also put back.	6018	Introduction/changes to 3 areas within the Council's car parks	Hazel Smith	44,850	10,150	34,700	4,000
CAP06	To Fund other activities with the Ingleton Village Plan approved.		Ingleton Village Plan	Sharon Sunter	110,000	35,207	74,793	67,503
CAP07	Rationalisation of rounds and vehicle requirements now finalised for 2017/18.	6305	Replacement Vehicles Programme	Wyn Ashton	765,100	31,882	733,218	733,218
Total					3,055,087	900,865	2,154,222	2,008,462