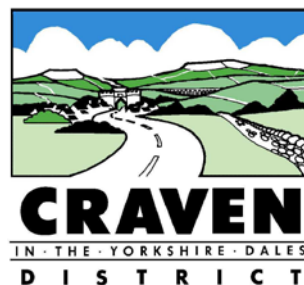


Policy Committee – 9th June 2015

Capital Programme 2014/15 – Outturn Report



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

Ward(s) affected: All

1. Purpose of Report

- 1.1 To inform Members of the outturn position of the Council's capital programme for 2014/15 and the sources of financing.

2. Recommendations

Members are recommended to:

- 2.1 Note the outturn position of the 2014/15 capital programme;
- 2.2 Note how the 2014/15 capital programme has been financed.
- 2.3 Confirm the carry forward of £1,315,260 for completion of 2014/15 projects in 2015/16.

3. Background Information

- 3.1 On 25 February 2014 the Council endorsed the recommendation from Policy Committee for a capital programme of £1,608k. The programme was adjusted during the year to take account of slippage from 2013/14 £873k, and supplementary estimates £894k, to give a total programme of £3,375k.
- 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 2014 (quarter 3) when total expenditure was forecast to be £1,988k
- 3.3 The third quarter report identified one project which would slip and this was included in the 2015/16 programme giving a revised programme for 2014/15 of £3,125k. The third quarter report indicated further projects that could be subject to slippage. As part of the year end process the projects needing to be slipped into 2014/15 have been confirmed at £1.315k.

4. **Final Outturn**

- 4.1 Total expenditure for 2014/15 is £1,730,876. Appendix A shows the outturn against budget for projects within the programme.
- 4.2 Managers of projects on which expenditure totalling £1,315,360 has been committed but not fully defrayed or commenced have submitted requests for this to be budget carried forward to 2015/16 and these are shown at Appendix A. This information is summarised in Table 1.

Table 1: Planned Capital Programme Outturn

	Approved Budget 2014/2015 £	Actual Outturn 2014/2015 £	Variance 2014/2015 £	Slippage Requested 2014/15 £
Council Land & Buildings	1,175,115	539,714	635,401	618,620
Plant & Equipment	307,650	63,004	244,646	196,560
Vehicle replacements	919,000	709,734	209,266	208,650
IT facilities	215,695	79,436	136,259	122,480
Private Sector Housing	507,945	338,988	168,957	168,950
Total Capital Programme Costs	3,125,405	1,730,876	1,394,529	1,315,260

- 4.3 One project – the lighting at Craven Pool identified for completion in 2015/16 requires additional resources over and above its original budget. The quotes received indicate a cost of about £35k an additional £15k above the budget. This increase can be accommodated from the savings within the 2014/15 programme.

5. **Capital Programme Financing**

- 5.1 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.
- 5.2 As part of the 2014/15 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 2014/15 year end, additional contributions are intended from the in-year savings to the IT, and Vehicle reserves. The exact amounts will be confirmed as part of the Revenue Budget Outturn report,
- 5.3 The Council received £845k in capital receipts in 2014/15 this is an additional £195k over the estimate of £650k. In addition the Council had

£1,767k of receipts carried forward from previous years. This together with the receipts in 2014/15 gives a total of £2,612k. The current years capital receipts are analysed in table 2.

Table 2: Analysis of Capital Receipts

Description	Amount £'000	Period Received
9 High Street	650	Q1
9 High Street – Public Realm Contribution	10	Q1
Garage Site Cononley	65	Q1
Garage Site Ingleton	55	Q2
Easement – Coach Street Car Park	42	Q3
Vehicle	23	Q3
Total	845	

- 5.4 It was agreed that the 2014/15 programme would be funded using resources from Capital Receipts, Grants and Contributions, Earmarked Reserves and Borrowing.
- 5.5 A summary of the resources available to fund the capital programme are shown in table 3. The information in the table includes the funding for slippage to be carried forward to the 2015/16 programme.

Table 3: Capital Resources Utilised to Fund 2014/15 Programme

	2014/2015 Estimated Resources Available £'000	2014/2015 Actual Resources Available £'000	2014/2015 Actual Resources Utilised £'000	2014/2015 Resources Available to Carry Forward £'000
Capital Receipts brought forward from prior years	1,767	1767	0	1,767
Grants & Contributions brought forward	31	31	31	0
In Year disposals (Capital Receipts)	650	845	386	459
In Year – grants and contributions	188	188	188	0
Contribution From Efficiencies Reserve	77	77	75	2
Contribution from IT Reserve	203	203	68	135
Contribution from Buildings Reserve	63	63	9	54

Table 3: Continued.....

	2014/2015 Estimated Resources Available £'000	2014/2015 Actual Resources Available £'000	2014/2015 Actual Resources Utilised £'000	2014/2015 Resources Available to Carry Forward £'000
Contributions from Vehicles Reserve	150	150	150	0
Contributions from New Homes Bonus Reserve	530	530	524	6
Utilisation of Borrowing (MRP Capacity)	550	550	300	250
Capital expenditure in year (* value of slippage)	(3,125)	(1,731)	(1,731)	*(1,315)
Resources available for future year programmes	1,084	2,673	0	1,358

6. **Implications**

6.1 **Financial and Value for Money Implications**

At the start of 2014/15 the Council had available £1,798k of capital resources to fund its capital programme. During the year £1,033k of additional resources were generated. The 2014/15 capital programme has required £1,731k of funding, giving £2,673k of funding available to support projects in future years. (It should be noted that of this £1,315k will be required to fund the projects carried forward for completion in 2015/16). This information is summarised in table 4.

Table 4: Capital Resources Available for Future Years

	£'000
Capital Receipts and Grants brought forward at start of year for capital programme Funding	1,798
Utilisation of brought forward resources	(31)
Unused in-year capital receipts	459
Unused capital grants	0
Unused Contributions from Reserves	197
Minimum Revenue Provision set aside for capital financing	250
Capital Resources carried forward at end of year for Capital Programme Funding	2,673
Slippage of 2014/15 Programme Requiring Resources	(1,315)
Capital Resources Available to Fund Future Capital Programmes	1,358

6.2 Legal implications – None Relevant

6.3 Contribution to Council Priorities

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

6.4 Risk Management

There are no risks inherent with the recommendations specified in this report.

6.5 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

<u>Scheme Description</u>	<u>Budget Manager</u>	<u>Total Capital Programme £</u>	<u>Outturn £</u>	<u>Remaining Budget £</u>	<u>Slippage £</u>	<u>Comments</u>
Skipton Town Hall / Museum Works	Hazel Smith	276,855	521,138	529,617	529,620	Works on-going - completion due May 2015
Skipton Town Hall Phase 2	Hazel Smith	773,900				
Waltonwrays Crematorium Rationalisation of Buildings	Hazel Smith	35,360	18,576	16,784	0	Project completed - savings to fund Craven Pool Lighting.
Skipton Bus Station Public Conveniences	Hazel Smith	49,000	0	49,000	49,000	Project rescheduled to 2015/16
Biomass Boiler at Skipton Town Hall	Hazel Smith	125,000	0	125,000	125,000	Works on-going - completion due May 2015
Instal PV Panels at Craven Pool & Airedale Business Park	Hazel Smith	69,510	0	69,510	14,000	Project complete, however, contract review being undertaken may require a management sum to be paid which has not yet been accounted for.
Additional Lighting at Craven Pool	Hazel Smith	20,000	0	20,000	34,860	Project due to be completed within first half of 15/16 financial year. To comply with standards set by Cibse and Sport England cost of project now forecast at £34,860.
Upgrade of Intruder Alarms	Hazel Smith	20,000	9,481	10,519	0	Project completed
Replacement of Car Park Machines	Hazel Smith	50,440	53,523	(3,083)	0	Project completed
Replace pool moveable floor panels and control unit terminal	Lloyd Hancox	22,700	0	22,700	22,700	Project slipped to 2015/16 due to issues with quotes.
Craven Pool Software System Replacement	Lloyd Hancox	49,000	28,036	20,964	15,000	Project completed except for interfaces to cash management still to complete. £2,450 of budget used for system training costs charged to revenue.
Ashfield Public Conveniences Refurbishment	Sharon Sunter	40,000	0	40,000	40,000	Project slipped - assessment of viability of options being undertaken
Upgrade VMware Software	Chris Firth	10,000	0	10,000	10,000	Further planning required. Project will slip to 2015-16
Public Sector Network (PSN) Code of Connection (CoCo)	Chris Firth	20,000	13,460	6,540	6,500	Project complete for 2014/15. Balance of budget will be required for next phase of project in 2015/16.
Replacement Planning System	Chris Firth	30,000	0	30,000	30,000	Project not started. A tender process is required. Meeting with all stakeholders to be arranged. Project expected to commence in 2015-16.
LLPG System Replacement	Chris Firth	30,000	0	30,000	30,000	Project management resource to start this project available 15/16. Slip to 2015/16
Website Development	Chris Firth	25,715	23,583	2,132	0	Project completed for garden waste and car parking.
Upgrade business applications to windows 2008	Chris Firth	20,000	14,357	5,643	0	Project Completed.
Document Management Rollout	Chris Firth	13,480	0	13,480	13,480	Project management resource to start this project available 15/16. Funding required 15/16 as part of Information Governance project slip budget.
Democratic Services Software	Chris Firth	17,500	0	17,500	17,500	Project management resource available 15/16. Business Case for this project needs review slip to 2015/16 pending this review.

CAPITAL PROGRAMME 2014/15

<u>Scheme Description</u>	Budget Manager	Total Capital Programme £	Outturn £	Remaining Budget £	Slippage £	Comments
Disabled Facilities Grants	Wyn Ashton	436,915	267,958	168,957	168,950	Slippage required to meet existing commitment carried over from 2014/15
Repair Assistance Schemes	Wyn Ashton	11,030	11,030	0	0	Funded from recycled RAS loans balance b/fwd from 13/14 £25.3k. Balance on reserve (£14.2k) to carry forward to fund any future loan requests.
Empty Homes	Wyn Ashton	60,000	60,000	0	0	Funded from the Empty Homes Reserve (total available £392k). Invoices received in April will see a further spend of £150k in 2015
Replacement Vehicles	Paul Florentine	919,000	709,734	209,266	208,650	
TOTAL		3,125,405	1,730,876	1,394,529	1,315,260	