

**Policy Committee –
15th September 2015**

**CAPITAL PROGRAMME MONITORING
REPORT - QUARTER 1 2015/2016**



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

Ward(s) affected: All

1. Purpose of Report

- 1.1 To advise members of the capital programme position of the Council, based on the Quarter 1 review of income and expenditure to the end of June 2015.

2. Recommendations

- 2.1 Members note the capital budget monitoring position as at 30 June 2015, and the additions to the programme.

3. Background Information

- 3.1 The Council agreed the 2015/16 Capital Programme of £1,329k on 24 February 2015. On 4 August 2015 the Council endorsed the recommendation from Policy Committee for the capital programme to include £1,315k of slippage from 2014/15. In addition previously approved projects have commenced adding a further £293k to the programme. This gives a total capital programme of £2,937k.

4. Quarter 1 Financial Performance

- 4.1 The Council approved the 2015/16 capital programme of £1,329k in February and work commenced on elements within the programme from April onwards. The programme has increased by £293k following the commencement of works to Skate Park and Pump Track in Aireville Park, continuation of the empty homes scheme and further increased to include £1,315k slippage from 2014/15. Thus giving a capital programme of £2,937k.
- 4.2 A summary of the programme is shown in Table 1 with detailed information together with an update on progress of the programme shown at appendix A. At the 30 June expenditure on the programme was £644k.

- 4.3 Due to the continued reliance on capital receipts to fund expenditure over the medium and long term it was agreed that approval to commence 2015/16 projects would be monitored by CLT.

Table 1: Planned Capital Programme

	Approved Budget 2015/2016 £	Expenditure to end of Quarter 2015/2016 £	Forecasted Outturn 2015/2016 £
Vehicle replacements	742,650	152,166	742,650
Private Sector Housing & Empty Homes	678,950	200,350	678,950
Recreation	143,000	250	143,000
IT facilities	252,020	4,900	252,020
Council Properties	1,120,180	186,243	1,120,180
Total Capital Programme Costs	2,936,900	643,909	2,936,900

5. Capital Programme Financing

- 5.1 Resources available to fund the capital programme together with a forecast of future receipts and programme costs are shown in table 2.

Table 2: Forecast Capital Resources

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Capital Programme Costs	2,937	3,887	1,072	1,022
<u>Funding Resources</u>				
Capital Receipts	1,186	1,153	121	121
Capital Grants	382	1,976	191	191
Enabling Efficiencies	51	0	0	0
New Homes Bonus	156	0	0	0
IT, Buildings & Vehicle Reserves	587	90	90	90
Borrowing	575	668	670	620

- 5.2 The Pump track and Skate Park projects are part of the Aireville Park

Master plan and are to be funded from grants received for this work. The New Homes Bonus reserve has an allocation for Empty Homes which is funding the empty homes grants, there is currently £182k remaining.

- 5.3 The capital programme currently assumes utilising all available forecasted capital receipts by the end of 2018/19.
- 5.4 The Council forecast that it would receive £475k in capital receipts during 2015/16. In addition the Council has £2,226k of receipts carried forward from previous years giving a total of £2,701k. It is estimated that £1,186k will be required to support the capital programme with the balance to be carried forward to support future years. To date £510k has been received, an additional £35k from the sale of vehicles.
- 5.5 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.
- 5.6 As part of the 2015/16 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 procedures, additional contributions have been made to reserves.

6. Implications

6.1 Financial and Value for Money Implications

All financial implications are contained in the body of the report.

6.2 Legal implications

None as a direct result of this report. The Council set a balanced budget for 2015/16, and going forward it is a further requirement that the budget is balanced.

6.3 Contribution to Council Priorities

The delivery of a balanced and managed budget is critical to the well being of the Authority.

6.4 Risk Management

Failure to achieve a balanced budget in the financial year would have had serious consequences for the Council.

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

<u>Scheme Description</u>	<u>Budget Manager</u>	<u>2015/16 Total Capital programme £</u>	<u>Spend to Date £</u>	<u>Remaining Budget £</u>	<u>Forecast Outturn £</u>	<u>Comments</u>
Skipton Town Hall Works	Hazel Smith	529,620	161,243	368,377	529,620	Final payment for phase 1 one still outstanding, remainder of funding allocated to phase 2 (commercial unit, and lobby) works together with external stone works. All currently scheduled for Q3/Q4 2015/16
Skipton Bus Station Public Conveniences	Hazel Smith	49,000		49,000	49,000	Specification to procure professional services to progress scheme agreed by Members out to quote. Timetable included for completion. Full scheme scheduled to complete by financial year end.
Biomass Boiler at Skipton Town Hall	Hazel Smith	125,000	125,000	0	125,000	Biomass was not as efficient or practical as hoped, a new gas efficient boiler has therefore been installed.
Skipton Depot Project	Hazel Smith	250,000		250,000	250,000	On hold pending options appraisal which is awaiting information on business requirements for service to be determined. Property Services unable to progress without known outcomes of requirements.
Instal PV Panels at Craven Pool & Airedale Business Park	Hazel Smith	14,000		14,000	14,000	Final contract reconciliation required to take place
Additional Lighting at Craven Pool	Hazel Smith	34,860		34,860	34,860	Quotes received and project due to commence in Q2.
Skate Park - Aireville Park	Sharon Hudson	110,000		110,000	110,000	Work ongoing in Aug 15. £72k spent in Q2.
Pump Track Aireville Park	Sharon Hudson	33,100	250	32,850	33,100	Works completed in Aug 15.
Replace pool moveable floor panels and control unit terminal	Lloyd Hancox	22,700	0	22,700	31,800	Two quotations obtained and these are £36,900 and £31,800. Both companies have also indicated that the pool/s would need to be drained. In effect the pools would be closed for up to 30 days
Craven Pool Software System Replacement	Lloyd Hancox	15,000	0	15,000	15,000	The integration with Pulse software needs to be completed and the phase II section of this project should be completed by Dec 2015 (the swimming lesson integration)
Ashfield Public Conveniences Refurbishment	Sharon Sunter / Hazel Smith	80,000		80,000	80,000	Awaiting feasibility works from Ec.Dev, plus agreements with Ward Reps as to scheme Property are to progress and procure
Upgrade VMware Software	Chris Firth	10,000		10,000	10,000	No Update at Q1
Public Sector Network (PSN) Code of Connection (CoCo)	Chris Firth	16,500	4,900	11,600	16,500	Work in progress - PSN is underway. So far the only spend is the health check with Sec-1 at £4900. It is likely that the remainder of the budget will be required before November 15.
Replacement Planning System	Chris Firth	100,000		100,000	100,000	Not started - Replacement planning & building control system. This project is awaiting allocation of a Project Manager and hasn't started, so no spend to date.
LLPG System Replacement	Chris Firth	30,000		30,000	30,000	No Update at Q1
Document Management Rollout	Chris Firth	13,480		13,480	13,480	No Update at Q1
Democratic Services Software	Chris Firth	17,500		17,500	17,500	No Update at Q1
Financial Management System Upgrade (Agresso)*	Claire Hudson	37,520		37,520	37,520	Project implementation plan prepared. Work due to commence July with implementation complete & go live by end November 2015
Payroll System Upgrade / Replacement*	Claire Hudson	27,020		27,020	27,020	Scheduled for Completion March 2016
Disabled Facilities Grants	Wyn Ashton	528,950	50,350	478,600	528,950	12 grants have completed within Q1 with a further 3 grants where interim payments have been made.
Empty Homes	Wyn Ashton	150,000	150,000	0	150,000	Payment to Progress Housing Group in respect of new supported housing provision for Young Persons Pathway II supported accommodation at Cross Street, Skipton.
Replacement Vehicles	Paul Florentine	742,650	152,166	590,484	742,650	One vehicle slipped from 14/15, delivered April. Procurement of vehicles will commence later in year.
TOTAL		2,936,900	643,909	2,292,991	2,946,000	