

Resources Committee

17 July 2013

Report of the Head of Finance

CAPITAL PROGRAMME MONITORING & S106 REPORT 2013-14

1 Purpose of Report

- 1.1 This report presents Members with the Capital Programme monitoring information for the two months to 31st May 2013 and proposed changes to the programme.

2 Executive Summary

- 2.1 The total capital programme budget as agreed at Resources Committee on the 20th March was £3,391,604. In addition, as reported at Resources Committee on the 12th June £3,253,948 capital spend has been re-profiled from 2012-13 giving a total budget for 2013-14 of £6,645,552.

3 Appendices

Appendix 1: Capital monitoring report up to 31st May 2013

Appendix 2: Variation Requests

Appendix 3: External Funding Schedule

4. The Resources Committee is invited to RESOLVE to:

- 4.1 **Note the projected outturn and anticipated variances as at 31st May 2013 as shown in Appendix 1**
- 4.2 **Agree the variations as per Appendix 2**
- 4.3 **Note the External funding as stated in Appendix 3**
- 4.4 **Recommend that the requests for additional projects outlined in section 7 be approved – funded from S106 monies.**

5. Background

- 5.1 The Capital Programme reported in Appendix 1 is as per the report approved at 20th March 2013 Resources Committee.
- 5.2 The Capital Outturn Report approved at the 12th June 2013 Resources Committee.

6. Discussion

6.1 The full assessment of the capital monitoring is attached to this report in Appendix 1

6.2 The variance of 'Forecast for the year' vs 'Capital Programme 2013-14' highlights changes in year. If there is a variance in this column but no variance in 'Forecast for the year' vs 'Total Capital Programme 2013-14 to 2017-18' column, this indicates that the variance is due to slippage. If there is a variance in the 'Forecast for the year' vs 'Total Capital Programme 2013-14 to 2017-18' column this represents a change in the forecast for the total project. The 'traffic light' coding of comments indicates the current status of each project; green indicating that there are no concerns, amber indicating that there is a delay of some description and red indicating that action will be required before the project can continue.

6.3 Projects which have highlighted the need for slippage will be noted in the body of this report, but no separate appendix will be prepared. Slippage represents delays in a project, but does not impact on the overall financial cost delivery, such changes in projects only require noting by members as they do not effect the overall funding requirement. It is changes in the overall value of projects that will require approval from resources, as this does effects the funding requirement.

6.4 At this early stage within the financial year it is not possible to identify any specific project areas where slippage may occur. However, there are concerns that the recent decisions relating to the multi-storey car park may result in some of the work required being reclassified as of a revenue nature rather than capital. If this proves to be the case then it will exert additional pressure on the revenue resources.

6.5 Request for Virement of ICT projects

A request has been made for a virement of budget within the ICT capital projects. The details are set out in Appendix 2

7. Request for additional projects to be funded from S106 monies

7.1 The following two projects are to be funded from S106 which have been considered by the S106 working group.

7.2 Approval is sought to use S106 monies available to improve a footpath in Croyland Park. This footpath is the main link from Kingsway into Croyland Park. The existing path has worn over time and has become dangerous to some users in particular cyclists, wheelchair users and buggies. The aim of the project is to provide a safe and accessible path for all.

Officers have sourced tenders for the project which will cost £32,242, using S106 contributions funding from the following S106 agreements:

- WP/2003/0780 Stanley Road - £1262 - Improvement in recreation and open space provision in the area,
- WP/2005/0422/F Great Park Street - £15,950 - Open Space in the vicinity of the development and
- WP/2005/0444 - 1-9 Newcomen Road - £15,030 - To encourage cycling and walking in the area)

The primary objective is to ensure that S106 contributions are spent in such a way that benefits the local community. The identified outcome for this S106 agreement was walking and cycling improvements in the town centre.

- 7.3 Irchester Parish Council is seeking approval to use S106 monies available to improve recreation specifically in the Austin Close play area. The aim of the project is to provide imaginative play and exercise for local children from the surrounding housing estates due to a distinct lack of facilities in this area. The area is popular for children and dog walkers and also houses the Scout Hut, however the only means of play the children currently have is football with no other play equipment to accommodate the children from the nearby estates. The parish council would like to have interactive, inventive and fun equipment as well as outdoor play equipment installed in the area in order to inspire increased usage of the play area as currently the closest play equipment to them is in the centre of the village.

Irchester are proposing to spend £39,865 on new facilities which are urgently needed in this area for both recreation and education as well as to promote social cohesion and reduce anti-social behaviour. Using both S106 contributions (funding from one S106 agreement, WP/2007/0744/F - £30,587) and parish reserves (£9,278).

The primary objective is to ensure that S106 contributions are spent in such a way that benefits the local community. The Austin Close project meets the specified S106 criteria, is being supported by the S106 Monitoring Group and will enable the local community to gain greatly from the new facilities and improved open space. If the S106 contributions are not spent then the funds will have to be returned to the developers.

8 Legal Powers

- 8.1 Local Government Act 1992

9 Financial and Value for Money Implications

- 9.1 These are detailed in this report.

10 Risk Analysis

- 10.1 The following risks and controls have been identified.

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Error in reported position	Revised outturn, slippage and reserves return figure	Low due to level of quality assurance	Robust financial arrangements.

11 Implications for Resources

No specific implications

12 Implications for Stronger and Safer Communities

No specific implications

13 Implications for Equalities

No specific implications

14 Author and Contact Officer

Liz Elliot	Head of Finance
Alan King	Project Accountant

15 Consultees

Budget Managers

16 Background Papers

None

Sch Ref	Capital Scheme	Responsible Officer	Total Capital Programme	Capital Programme	Profiled Budget to 31st May £000	Committed Expenditure to current period £000	Variance Year to Date £000	Forecast for the year £000	Variance Forecast for year against budget £000	Total Programme forecast	Variance Forecast Total	RAG	Comments
			2013/14 - 2017/18 £000	2013-14 Including re-profiling £000						(2013/14-2017/18) £000	(2012/13 - 2017/18) £000		
J037	Redhill Farm - Roads & Sewers Phase 4	John Udall	824	427	-	206	206	427	-	824	-	G	Order placed for 1st Phase
J041	Non Operational Property	Paul Burnett	44	44	-	-	-	44	-	44	-	G	Ongoing
J042	High Street Development	Jennifer Bell	177	177	-	-	-	177	-	177	-	G	Ongoing High St CPO continued legal advice etc in relation to the Developer Procurement process.
J048	Enterprise Court Regeneration	Paul Burnett	22	22	22	19	-3	22	-	22	-	G	Work completed - awaiting final payment.
J092	MSCP Refurbishment	John Udall	624	624	52	12	-40	624	-	624	-	A	Remedial works only - awaiting review
J100	Wellingborough Heritage and Shop Front Grant Initiative	John Udall	2,076	486	80	1	-79	486	-	2,076	-	G	Ongoing
J102	High Street Development British Legion	Jennifer Bell	40	40	-	-	-	40	-	40	-	A	Negotiations on hold awaiting High St outcome.
J103	High Street Development Mobile Radio	Jennifer Bell	475	475	-	-	-	475	-	475	-	G	Negotiations ongoing through Property advisors.
J105	Bandstand Castle Fields	Amanda Johnson	14	14	-	-	-	14	-	14	-	A	Awaiting decision on Power supply - linked to possible project for the Pavilion
J106	Electronic Data Record System	Kathryn Rance	26	26	26	-	-26	26	-	26	-	G	Due for completion within current year
J107	Telephone System	Alison Curtis	75	75	75	3	-73	75	-	75	-	A	As the AD/Exchange project is potentially taking longer than anticipated there is a probability that this project might not be completed within this financial year.
J113	Nest Farm Road Wall	Paul Burnett	98	98	-	-	-	98	-	98	-	G	Investigations complete.
J114	Glamis Hall	Paul Burnett	23	23	-	-	-	23	-	23	-	R	On Hold pending review
J116	Croyland Hall Abbey	Paul Burnett	250	250	-	-	-	250	-	250	-	A	Survey work is complete and investigations are ongoing as to sourcing Collyweston slate required
J118	29-30 Sheep Street	Paul Burnett	55	55	-	-	-	55	-	55	-	G	Tender due out June13
J119	Tithe Barn Roof and IT Connections	Paul Burnett	200	200	-	-	-	200	-	200	-	G	Tender due out June13
J120	Tithe Barn Road Offices Lift Control Upgrade	Paul Burnett	30	30	30	29	-1	29	-1	31	-1	G	Completed
J121	Academy Upgrade	Nigel Robinson	53	53	-	-	-	53	-	53	-	G	Ongoing
J122	Street Furniture	Jennifer Bell	74	74	12	2	-10	74	-	74	-	G	Ongoing, costs now agreed with contractor. Work anticipated to start in 6-8 weeks.
J123	Regeneration Signs	Jennifer Bell	21	21	-	-	-	21	-	21	-	R	On hold - awaiting further steer from committee
J125	Castle Audio Equipment	Chris Pittman	37	37	-	-	-	37	-	37	-	G	Planned for Summer recess
J126	Crematorium *	Terry Wright	3,394	1,294	-	-	-	1,294	-	3,394	-	G	Following the acquisition of the Doddington Road site at the end of financial year 2012, a series of reports have been commissioned from specialist advisors in order to prepare proposals for the design, layout and construction of the crematorium services. These proposals will be considered by members of the working party in July before proceeding to commence tendering for the main construction works later in 2013. Legal Agreement completed June 2013. Promotional activities to commence imminently with press release
J127	Private Sector Housing Grant - homelessness initiative	V Jessop	300	60	10	-	-10	60	-	300	-	G	Ongoing
J128	ICT Resilience	Gareth Jones	89	59	-	-	-	59	-	89	-	G	Project planned for about December with completion by the end of March 2014
J129	Website Improvements	Gareth Jones	22	22	-	-	-	22	-	22	-	G	There will now be no work on the PSN/GSCX project in 2013-14 postponed until 2014-15 (New bid in future)
J130	ICT Security	Gareth Jones	24	24	-	-	-	24	-	24	-	A	This project ongoing
J131	Citrix Remote Access	Gareth Jones	25	25	-	-	-	25	-	25	-	G	Savings made by utilising existing hardware and carrying work out in lct - savings requested to be transferred to project J133. Project ongoing
J132	Desktop Equipment Replacement and Windows7	Gareth Jones	178	89	-	-	-	89	-	178	-	G	Scheduled for action later this year
J133	Active Migration / Exchange	Gareth Jones	81	81	-	-	-	81	-	81	-	G	Additional resources requested (funded by savings on other ICT projects) Ongoing
J134	Migration	Gareth Jones	36	36	-	-	-	36	-	36	-	G	Awaiting quotes
J135	Expanding grave spaces	N Holden	36	36	-	-	-	36	-	36	-	G	Not programme to start until 2014/15 Feasibility study etc required
J135	Day Centre for older people	Gill Chapman	400	0	-	-	-	0	-	400	-	G	Spend currently above profiled expenditure but not a cause for concern at this stage
K001	Renovation Grant-Discretionary	Vicki Jessop	397	157	25	31	6	157	-	397	-	G	Spend currently below profiled expenditure not unusual at this stage in the year. To be monitored for possible re-profiling in August.
K002	Disabled Facilities Grant	Vicki Jessop	1,785	685	110	37	-73	685	-	1,785	-	G	Two CPO's being progressed to GVD
K007	Empty Properties	Vicki Jessop	376	376	-	-	-	376	-	376	-	G	Report to September Resources Committee to spend on vacant land for affordable housing. Potential for re-profiling.
K010	Empty Properties vacant land and CPO	Vicki Jessop	312	300	-	-	-	300	-	312	-	G	Works complete - final payments to be processed
K103	Allan Bank	Gill Chapman	59	59	59	43	-16	59	-	59	-	G	Awaiting further claims
K221	Parish Council Irchester	Liz Elliott	56	56	56	10	-46	56	-	56	-	G	Awaiting claim from Weavers School
K223	Weavers School	Terry Wright	23	23	-	-	-	23	-	23	-	G	Allocated to Sunlight Factory - tranche payment
K302	Kick Start Housing Development	Vicki Jessop	50	50	-	-	-	50	-	50	-	G	
			12,844	6,646	557	392	-165	6,645	-1	12,844	-1		

* Crematorium - Original budget 2013-14 was £2.6m but reduced by early spend in 2012-13.

Change request 1 2013-14

Appendix 2

A request has been made for a virement of budget within the ICT capital projects. Capital Scheme J133 Active Migration/Exchange Migration was originally approved at £81,000 based on information available at October 2012. However, since the project was approved and included in the programme for 2013-14 in March, detailed discussions with a number of suppliers has highlighted the need for additional work without which the project will not be able to meet its objectives. The requirement is for a further £25,000 to be made available for this project by reducing projects J130 IT Security and J131 Citrix Remote Access by £13,500 and £11,500 respectively. The IT Security project J130 will be compromised to the extent that there will now be no work performed on the PSN/GSCX environment this year; a further capital project bid will be made at a later date for consideration in respect of that project.

The overall impact on the capital programme is nil.

Ref	Scheme	Total cost £000	2013/14 External Funding £000	BCW Funding £000
Current Budget				
J130	ICT Security Desktop Equipment Replacement and	24.0	-	24.0
J132	Windows7 Active Migration /	89.0	-	89.0
J133	Exchange Migration	81.0	-	81.0
Total Current Budget		<u>194.0</u>	<u>-</u>	<u>194.0</u>
Change requested				
J130	ICT Security Desktop Equipment Replacement and	-13.5	-	-13.5
J132	Windows7 Active Migration /	-11.5	-	-11.5
J133	Exchange Migration	25.0	-	25.0
Total Increase /(-) decrease		<u>-</u>	<u>-</u>	<u>-</u>
Revised Budget				
J130	ICT Security Desktop Equipment Replacement and	10.5	-	10.5
J132	Windows7 Active Migration /	77.5	-	77.5
J133	Exchange Migration	106.0	-	106.0
Total Current Budget		<u>194.0</u>	<u>-</u>	<u>194.0</u>

Appendix 3

Funding re Capital Projects

The following table shows the anticipated funding requirements for the capital programme

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Capital Programme	6,646	4,118	1,016	849	514
Capital S106	14				
Disabled facilities Grant	201	201	201		
Heritage Lottery funding	325	347	41	293	
Capital Receipts	6,106	3,570	774	556	514

Capital Resources

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Capital receipts B/f	12,789	8,083	5,763	6,239	6,933
Additions in period	1,400	1,250	1,250	1,250	500
Use of Receipts	6,106	3,570	774	556	514
Balance C/f	<u>8,083</u>	<u>5,763</u>	<u>6,239</u>	<u>6,933</u>	<u>6,919</u>

