

Resources Committee

11th December 2013

Report of the Head of Finance

CAPITAL PROGRAMME MONITORING

1 Purpose of Report

- 1.1 This report presents Members with the Capital Programme monitoring information to 31st October 2013.

2 Executive Summary

- 2.1 The total capital budget for 2013-14 as reported at Resources Committee on the 18th September 2013 was £6,669k.

3 Appendices

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

Appendix 2: Variation request

Appendix 3: Capital Funding Schedule

4. The Resources Committee is invited to RESOLVE to:

- 4.1 Note the projected outturn and anticipated variances as at 31st October 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**

5. Background

- 5.1 The previous capital monitoring report to Resources Committee was for the period to 31st July 2013. All agreed amendments have been incorporated into this current report.

6. Discussion

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

The report details the current position for approved schemes. Meetings have taken place with the individual responsible officers in order to obtain profiling information and meaningful outturn estimates. The financial software Agresso, has been updated with the budget profiles and outturn information accordingly. This is reflected in the monitoring report, along with up to date comments on each scheme which have been provided by the project managers.

6.2 Budgets for schemes that are currently on hold awaiting management decisions; have been profiled into period 1. No amendment to the outturn figure will be input until information is available, at which time Agresso will be updated accordingly.

6.3 The anticipated forecast outturn reflects the budget position at year end based on the information available to date. Initial estimates suggest there will be some reprofiling of budgets and approximately £1.7m will be carried forward into 2014-15, as shown in the graph at 6.6.

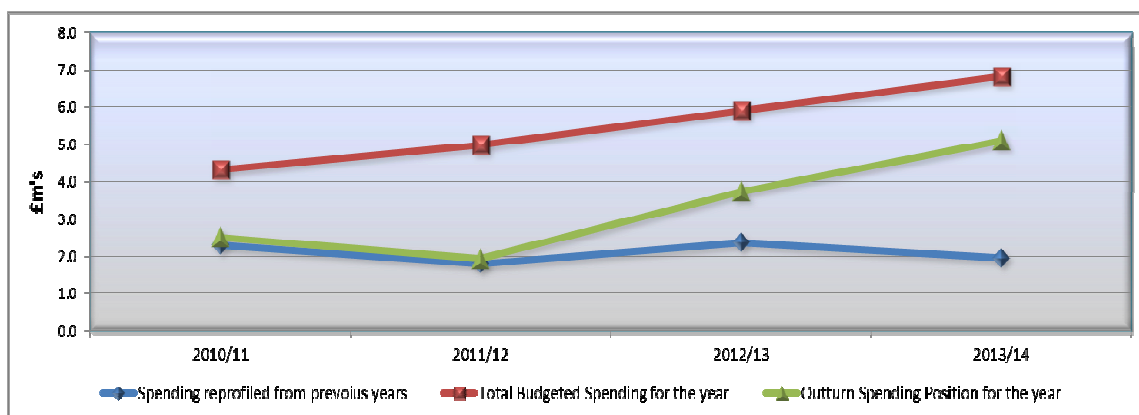
6.4 The RAG status has been revised to reflect the financial status of each scheme. The coding is based on the variance between the forecast outturn and the agreed budget for the current year.

- Red - variance is greater than agreed budget
- Amber - variance is greater than -10% of agreed budget
- Green - variance is between 0 and -10% of agreed budget

6.5 The table below provides information on the Capital Programme movements within 2013-14.

Capital Programme	£'000
2013-14 Capital Programme at Resources Committee 20 th March 2013	3,254
Capital Outturn 2012-13 (carry forward) at Resources Committee 12 th June 2013	3,392
Total Original 2013-14 Capital Programme (including brought forward)	6,646
Approved Requests for Urgent Action	
Resources Committee 17 th July 2013 – S106 monies for pitch improvements	20
Resources Committee 17 th July 2013 – S106 monies for new adult gym equipment	3
Total Revised 2013-14 Capital Programme (including brought forward)	6,669
Resources Committee 30 th October 2013 – Urgent action for Lea Way CPO	155
Total Revised 2013-14 Capital Programme (including brought forward)	6,824

6.6 The graph below shows the level of budgeted and committed resources based on planned delivery of schemes and projects, compared to the actual spending. It also highlights the amounts of re-profiling for each year. Current estimates, based on the information provided by project managers, suggests £1.7m will be re-profiled from 2013-14 into 2014-15. As we progress through the year and more information becomes available the graph will be updated to reflect this knowledge.



6.7 A request has been made for a virement of budget between capital schemes in order to complete the compulsory purchase of 66-74 Lea Way, within this financial year. The details are set out in Appendix 2.

7 Legal Powers

7.1 Local Government Act 1992

8 Financial and Value for Money Implications

8.1 These are detailed in this report.

9 Risk Analysis

9.1 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, carry forward and reserves return figure	Low due to level of quality assurance	Robust financial arrangements.

10 Implications for Resources

No specific implications

11 Implications for Stronger and Safer Communities

No specific implications

12 Implications for Equalities

No specific implications

13 Author and Contact Officer

Liz Elliott	Head of Finance
Julie O'Connell	Service Accountant

14 Consultees

Budget Managers

15 Background Papers

None

Scheme Reference	Capital Scheme Title	Responsible Officer	Total Capital Programme 2013/14-2017/18 £000	Capital Programme 2013-14 Including re-profiling £000	Profiled Budget to P7 31st October £000	Actual Expenditure to P7 31st October £000	Variance Year to Date £000	Commitments £000	Committed Expenditure to current period £000	Forecast for the year £000	Variance Forecast for year against budget £000	RAG Status	Responsible Officer Comments
J107	Telephone System	Alison Curtis	75	75	10	3	-8	6	9	10	-65	☹	The telephone system project cannot progress until the AD and Exchange Migration is complete which is scheduled for completion during Q1 of 2014/15. Therefore the majority of this budget will be carried forward.
J132	Desktop Equipment Replacement and Windows7	Alison Curtis	178	89	70	70	0	-	70	89	-	☺	The project is ongoing with the bulk purchases having been made. There remains additional hardware requirements and it is anticipated that this budget will be fully spent by year end.
J105	Bandstand Castle Fields	Amanda Johnson	13	13	13	1	-13	-	1	13	-	☺	The remaining budget is strictly for an electricity supply to the bandstand, however the site would receive a greater provision if the supply was linked to the on site pavilion. The renovation of the pavilion has now been granted funding therefore we intend to move forward with allocating the power supply during construction repairs to the pavilion. It is anticipated that the remaining budget will be spent before the end of the financial year.
J125	Castle Audio Equipment	Chris Pittman	37	37	-	-	-	-	-	37	-	☺	New management at The Castle are reviewing the original project bid and are considering the available options.
J135	Day Centre for older people	Gill Chapman	400	-	-	-	-	-	-	-	-	☺	Budget profiled in 2014/15
K103	Allan Bank	Gill Chapman	59	59	59	45	-14	-	45	45	-14	☹	Completed
J128	ICT Resilience	Ian Peters	89	59	35	31	-4	-	31	59	-	☺	UPS purchased and installed. Awaiting quotations to expand Backup system. It is anticipated that the 2013/14 budget will be fully spent by year end.
J130	ICT Security	Ian Peters	11	11	-	-	-	12	12	11	-	☺	Ongoing project in response to Public Services Network audit with anticipated spend profiled accordingly. 50% of current commitment amount to be recharged to East Northamptonshire upon payment.
J131	Citrix Remote Access	Ian Peters	13	13	13	12	-1	-	12	12	-1	☺	Completed
J133	Active Migration / Exchange Migration	Ian Peters	106	106	10	10	-0	63	73	75	-31	☹	Project ongoing, however completion is delayed due to the Northgate Idox migration. Therefore approximately £30k will be carried forward into 2014/15.
J042	High Street Development	Jennifer Bell	177	177	-	-4	-4	0	-4	75	-102	☹	Remaining budget to cover continued legal advice on High St CPO issues, particularly in relation to ongoing Developer discussions. Final properties/rights to be acquired. It is anticipated that some of this budget may be carried forward into 2014/15.
J102	High Street Development British Legion	Jennifer Bell	40	40	-	-	-	-	-	40	-	☺	Property Services currently looking into options for BCW
J103	High Street Development Mobile Radio	Jennifer Bell	475	475	-	-1	-1	4	3	475	-	☺	Negotiations ongoing. Final price to be agreed. Expected to be completed within this financial year.
J122	Street Furniture	Jennifer Bell	74	74	10	2	-8	37	40	74	-	☺	Market Street street furniture reconfiguration element is complete. Further discussions to be held with Market Working Group on the other elements such as the Mosaic etc.
J123	Regeneration Signs	Jennifer Bell	21	21	-	-	-	-	-	21	-	☺	Current town signs renovated. Report to be presented at Development Committee with further proposals for regeneration signs.
J037	Redhill Farm - Roads & Sewers Phase 4	John Udall	824	427	-	1	1	206	206	427	-	☺	The first stage of works (approx £210k) is ongoing with completion due in November, weather conditions permitting. The second stage of work is expected to begin shortly afterwards.
J092	MSCP Refurbishment	John Udall	624	624	624	14	-610	-	14	624	-	☺	Project on hold pending decision re future of MSCP.
J100	Wellingborough Heritage and Shop Front Grant Initiative	John Udall	2,076	486	50	21	-29	-	21	100	-386	☹	Project officers presented a report to the Development Committee on 29.10.13 outlining a revised budget proposal for schemes, which was agreed. Agreement will now be sought from HLF in order that projects can begin, however it is expected that the majority of the budget will carry forward to 2014/15.
J106	Electronic Data Record System	Kathryn Rance	26	26	-	-35	-35	35	-	26	-	☺	Project ongoing, however completion is delayed due to the AD Migration project extension. The spending profile remains under investigation.
J129	Website Improvements	Kathryn Rance	22	22	22	23	1	-	23	23	1	☹	Completed - Overspend due to purchase of additional test system, which was available via a joint procurement deal with East Northamptonshire at £1000, a significantly lower price than usual.
K221	Parish Council Irchester	Liz Elliott	56	56	45	43	-2	-	43	43	-13	☹	No further costs expected within this financial year, remaining budget to be carried forward into 2014/15 when scheme is planned for completion.
J134	Expanding grave spaces	Nicola Holden	36	36	-	-	-	-	-	-	-36	☹	In order to achieve the highest quality outcome this scheme is best completed during the summer months, therefore the budget will carry forward into 2014/15.
J121	Academy Upgrade	Nigel Robinson	53	53	10	9	-1	-	9	53	-	☺	Ongoing. Final installation invoice received £29.5k to be paid in period 8.

Scheme Reference	Capital Scheme Title	Responsible Officer	Total Capital Programme 2013/14-2017/18	Capital Programme 2013-14 Including re-profiling	Profiled Budget to P7 31st October	Actual Expenditure to P7 31st October	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	Responsible Officer Comments
J041	Non Operational Property	Paul Burnett	44	44	44	-	-44	-	-	20	-24	☹	Contingency budget for unforeseen emergency repairs, any remaining funds will carry forward into 2014/15.
J048	Enterprise Court Regeneration	Paul Burnett	22	22	22	21	-1	-	21	21	-1	☺	Completed
J113	Nest Farm Road Wall	Paul Burnett	98	98	-	-	-	-	-	98	-	☺	The project is currently out to tender, engineers have been working on a solution without charge to BCW. The approved budget may need to be revised as the repairs would involve road closures and legal costs in respect of local householders. Significant issues as retaining wall poses health and safety / reputational risk.
J114	Glamis Hall	Paul Burnett	23	23	23	-	-23	-	-	23	-	☺	Project on hold, pending review.
J116	Croyland Hall Abbey	Paul Burnett	250	250	-	-	-	-	-	250	-	☺	This project has been delayed due to sourcing and availability of materials however the tender is imminently due with work expected to start in the New Year. Contractors would be on site for approximately 8-9 weeks (weather permitting) and it is hoped the scheme will be completed within the financial year.
J118	29-30 Sheep Street	Paul Burnett	155	155	-	1	1	-	1	155	-	☺	The tender process and the availability of thatchers has delayed this project however it is anticipated work will begin in February (weather permitting). Contractors would receive staged payments and any remaining budget will carry forward into 14/15.
J119	Tithe Barn Roof and IT Connections	Paul Burnett	100	100	-	1	1	-	1	100	-	☺	The tender process and the availability of thatchers has delayed this project however it is anticipated work will begin in February (weather permitting). Contractors would receive staged payments and any remaining budget will carry forward into 14/15.
J120	Tithe Barn Road Offices Lift Control Upgrade	Paul Burnett	30	30	30	29	-1	-	29	29	-1	☺	Completed
J126	Crematorium *	Terry Wright	3,394	1,294	50	45	-5	74	120	570	-724	☹	Following the 21.08.13 consultation event, where the plans for the crematorium were shared with community representatives, the phasing of the project has been re-profiled. It is therefore anticipated that total expenditure in 2013/14 will not exceed £570,000.
K104	Weavers School	Terry Wright	23	23	23	23	-	-	23	23	-	☺	Completed
J127	Private Sector Housing Grant - homelessness initiative	Vicki Jessop	300	60	10	9	-1	3	13	60	-	☺	Project managers are continuing to promote this initiative however private landlords are apprehensive in respect of the forthcoming universal credit arrangements and continuing rental income.
K001	Renovation Grant-Discretionary	Vicki Jessop	397	157	65	64	-1	-	64	138	-19	☹	Whilst this project has been slow to begin due to administrative processes the rolling programme will now enable the momentum to continue with any budget variances being carried into future years.
K002	Disabled Facilities Grant	Vicki Jessop	1,785	685	160	169	9	-	169	450	-235	☹	Whilst this project has been slow to begin due to administrative processes the rolling programme will now enable the momentum to continue with any budget variances being carried into future years.
K007	Empty Properties	Vicki Jessop	376	376	50	-0	-50	25	24	200	-176	☹	Once funding is approved there then follows a lengthy formal statutory process before transactions take place. Therefore some slippage of this budget may be expected.
K010	Empty Properties vacant land and CPO	Vicki Jessop	455	455	15	14	-1	8	22	575	120	☹	The majority of this budget has been committed to the compulsory purchase of 66-74 Lea Way
K302	Kick Start Housing Development	Vicki Jessop	50	50	50	50	-	-	50	50	-	☺	Completed
J137	Football Pitch Improvements	Victoria Phillipson	20	20	20	19	-1	-	19	19	-1	☺	Completed
J138	Adult Outdoor Gym Equipment	Victoria Phillipson	3	3	3	3	-	-	3	3	-	☺	Completed

13,010	6,824	1,535	695	-841	472	1,167	5,116	-1,707
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* Crematorium - Original budget 2013-14 was £2.6m but reduced by early spend in 2012-13.

Change request 3 2013-14

A request has been made for a virement of budget between capital schemes **J042** High Street CPO and **K010** Empty Properties. The original estimate to complete the CPO and purchase of 66-74 Lea Way, Wellingborough was £434,425 which included an estimated purchase price of £375,000 plus costs for the CPO process.

A public inquiry took place on the 29th/30th October at which the landowner agreed to sell BCW the site for £475,000 plus a Basic Loss Payment and agents fees. BCW has been advised by its agents, Underwoods, that the increase in purchase price reflects the current market and subsequently the sale was agreed. Due to the Inquiry taking place, BCW are still liable for the Inquiry and CPO costs which has estimated in a budget of £547,580 being required.

K010 Empty Properties already has a budget of £273,000 in 2013-14.

An Urgent Action was also granted by Resources in October for £154,500 in 2014-15. These additional funds will now be refiled into 2013-14 in order for the transaction to be completed within this financial year. There will be no overall impact on the capital programme.

Therefore an additional £120,080 is required to fund the project. A request is being made for a virement of

The overall impact on the capital programme is nil.

Ref	Scheme	2013/14		Change requested £000	Revised budget £000	External Funding £000	BCW Funding £000
		Total cost £000	External Funding £000				
Current Budget							
J041	Non Operational Property	43.6	-	-20.1	23.5	-	23.5
J042	High Street Development	177.0	-	-100.0	77.0	-	77.0
K010	Empty Properties	427.5	-	120.1	547.6	-	547.6
Total Current Budget		<u>648.1</u>	<u>-</u>	<u>0.0</u>	<u>648.1</u>	<u>-</u>	<u>648.1</u>

Capital Funding Schedule

The following table shows a breakdown of how the programme will be funded:

	2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000	Total
Capital Programme (Appendix 1)	6,824	3,818	1,016	838	514	13,010
Funded by:						
Capital S106	37					37
Disabled facilities Grant	206	<i>201</i>	<i>201</i>			608
Heritage Lottery funding	325	<i>358</i>	<i>422</i>	<i>301</i>		1,406
Capital Receipts	6,256	3,259	393	537	514	10,959

Projected Capital Reserves:

	2013-14 £000	2014-15 £000	2015-16 £000	2016-17 £000	2017-18 £000
Capital receipts B/f	13,142	8,286	6,277	7,584	8,297
Anticipated Capital Receipts	<i>1,400</i>	<i>1,250</i>	<i>1,700</i>	<i>1,250</i>	<i>500</i>
Use of Capital Receipts	6,256	3,259	393	537	514
Balance c/f	<u>8,286</u>	<u>6,277</u>	<u>7,584</u>	<u>8,297</u>	<u>8,283</u>

NB - Italics Estimate

