

Resources Committee

9 December 2015

Report of the Head of Finance

CAPITAL PROGRAMME MONITORING

1 Purpose of Report

This report presents Members with the Capital Programme monitoring information to 31 October 2015.

2 Executive Summary

The total capital budget for 2015-16 of £10.377m was reported at Resources Committee on the 24 June 2015. Subsequent movements in the budget are reported in the body of this report and are shown in the table at 6.5. The revised capital budget for 2015-16 is £8.524m.

3 Appendices

Appendix 1: Capital monitoring report up to 31 October 2015

Appendix 2: Summary of 2015-16 capital resources

4. The Resources Committee is invited to RESOLVE to:

4.1 Note the projected outturn and anticipated variances as at 31 October 2015 as shown in Appendix 1

4.2 Note the External funding as stated in Appendix 2

4.3 Note the analysis of the 2015-16 capital programme budget as at 31 October 2015 as shown in section 6.4

4.4 Agree the inclusion of the scheme outlined in 6.7.2 in the agreed capital programme

4.5 Note the supplementary budget of £665 approved under delegated powers in section 6.7.1

5. Introduction

- 5.1 Capital monitoring is reported 4 times in the year, 3 in year reports (September, December and March committees) and the final out turn position in June of the following financial year. This report is the second in year report for 2015-16 and reflects the monitoring position as at 31 October 2015.
- 5.2 Further financial forecasts will be reported to Committee to show the changes in the monitoring position as at the following dates:
- 31 January 2016
 - 31 March 2016

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. The comments are provided by the individual responsible officers and the financial software Agresso has been updated with profiling of capital schemes, as advised. Whilst officers provide the profiling information at the beginning of the financial year this requires periodic review as some of the schemes are reliant on uncontrollable factors, i.e. liaising with third party contractors.

- 6.2 The following update has been provided in respect of the PV Panels scheme.

Officers investigated with CEGB / Western Power, to determine the local infrastructure and its capacity for the additional power that would be generated, as a result of the BCW proposed PV panel scheme. This has taken some time because of delays in accessing the information required from Western Power.

Various sites had been identified but it became clear that not all were suitable to be progressed, but the scheme at Trafalgar House is currently out to tender. Western Power would not allow feed in at the 1-9 Booth Drive site as the supply is at high voltage.

As the government is intending to withdraw the feed in tariff scheme as of 31 December 2015 it is likely that the only site which can be used to sell power to the grid will be Trafalgar House. However, the scheme at the Waendel Leisure Centre is still proceeding as all the power generated there could be used on site, therefore providing good savings on power consumption.

- 6.3 The anticipated forecast outturn reflects the budget position at year end based on the information available to date. There is currently no cause for concern that there is insufficient budget to meet profiled expenditure. As we progress through the year and more information becomes available the outturn report will be updated to reflect this knowledge.

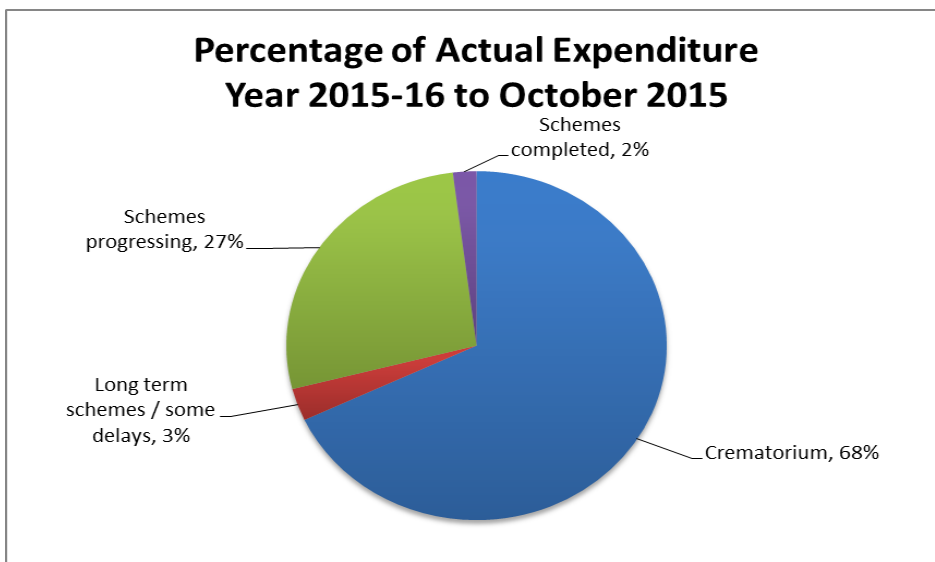
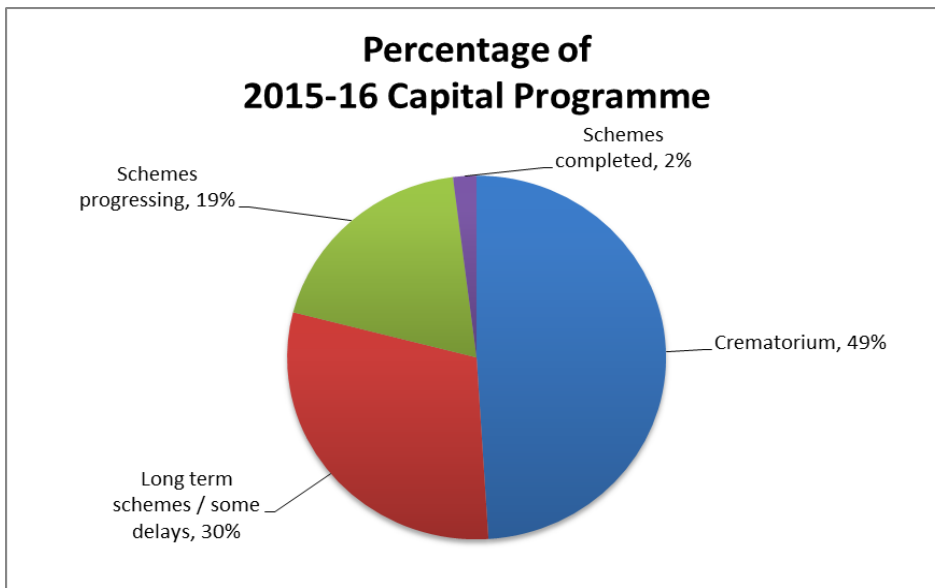
As forecast outturn information has now been provided, the RAG analysis has been updated to reflect the financial status of each scheme. The coding is based on the variance between the forecast outturn and the agreed budget for the current year.

- 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

6.4 A further analysis of the 2015-16 budget position has been undertaken and the results are shown on the graphs below:

The construction of the crematorium is a significant scheme within the current programme, making up 49% of the 2015-16 budget and 68% of the expenditure to date. There are however some long term schemes such as the CPO funds, S106 schemes and the Heritage Lottery Initiative where budget is committed yet it is acknowledged they have been slow to progress. Such schemes make up 30% of the 2015-16 budget and only 3% of the expenditure to date.

The remainder of the budget is made up of schemes that have either been completed or are progressing in a timely manner. These schemes make up 29% of the actual expenditure to date.

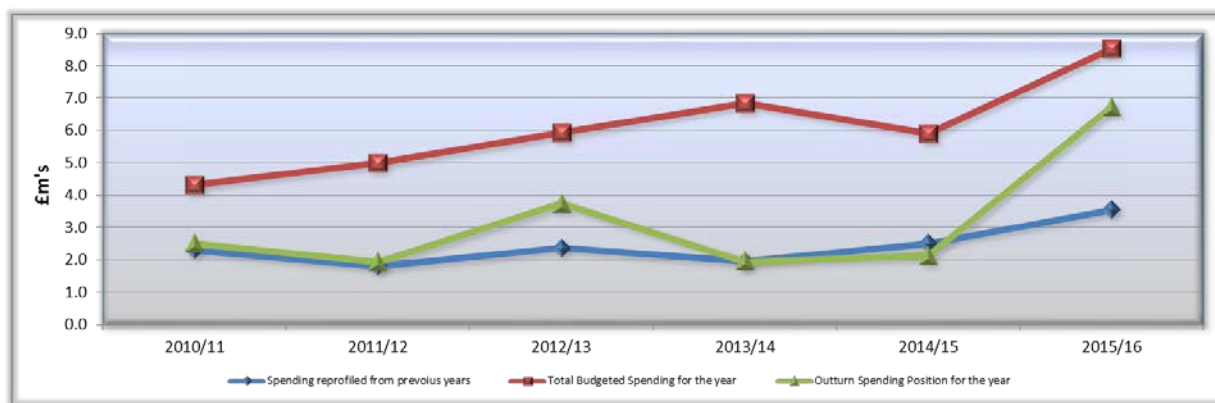


- 6.5 The table below provides information on the Capital Programme movements within 2015-16.

Capital Programme	£'000
Original 2015-16 Capital Programme (including brought forward)	10,364
<i>Resources Committee 24 June 2015:</i>	
J159 Upgrade of Server Infrastructure (Licensing & PSN)	10
J163 Doddington Road Cemetery Parking Improvements	3
Total 2015-16 Capital Programme as reported 24 June 2015	10,377
<i>Budget Re-profiled to 2016-17</i>	
J037 Wellingborough Road Adoptions	(305)
J100 Wellingborough Heritage and Shop Front Grant Initiative	(1,354)
J151 Shop Front Improvements	(260)
<i>Resources Committee 16 September 2015:</i>	
J164 Superfast Broadband	27
J165 Swanspool House Boiler Replacement	30
<i>Agreed under delegated powers (Leader and S151 Officer)</i>	
K302 Kickstart Housing Development	9
J155 Town Centre CCTV Equipment replacement (<i>£665, no change to rounded total</i>)	-
Total Revised 2015-16 Capital Programme (including brought forward)	8,524

- 6.6 The graph following shows the level of budgeted and committed resources based on planned delivery of schemes and projects compared to the actual spending, and also highlights the amounts of re-profiling for each year.

This analysis identified the need for the capital programme review undertaken during 2014-15. The outcomes of the review have informed the capital programme processes to enable officers to improve the profiling of committed budgets between financial years. The capital spending for 2015-16 is now more closely monitored and the reporting of profiled spending improved.



6.7 Additional Funding Requests

6.7.1 A request has been received for additional funding of £665, to complete the Town Centre CCTV Equipment replacement programme. Phase one of the scheme was successfully completed during 2014-15. The specification requirements to complete the scheme identified this small budget shortfall; therefore the request has been approved by the Head of Finance and Chair of Resources Committee under delegated powers, in order that the purchase order can be placed.

6.7.2 Revenues & Benefits Electronic Data Records Management System (EDRMS) – an in year project bid of £40k has been submitted for the purchase and installation of an EDRMS which is fully compatible with the existing software system. The Revenues & Benefits service processes the highest volume of paper and electronic records and this project would enable the service to deliver more efficient ways of working whilst helping to deliver efficiency savings that have previously been identified. This committee is asked to agree in principle, subject to full review of the business case by the senior management team, the additional funding be made available at this stage and is ear marked for this scheme.

7 Legal Powers

Local Government Act 1992

8 Financial and Value for Money Implications

These are detailed in this report.

9 Risk Analysis

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.

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

Julie O'Connell, Service Accountant

14 Consultees

John Campbell – Chief Executive

Liz Elliott – Head of Finance

Bridget Lawrence – Head of Resources

Julie Thomas – Head of Planning and Local Development

Samantha Knowles – Principal Finance Manager

15 Background Papers

None

Desired Outcomes	Themes	Reference	Capital Scheme Title	Responsible Officer	Total Capital Programme 2015/16 -2019/20	Capital Programme 2015-16 Including re-profiling	Profiled Budget to P7 31 October	Actual Expenditure to P7 31 October	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	P7 Responsible Officer Comments	
					£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Essential for service delivery	Asset maintenance for H&S / Compliance - operational	J128	ICT Resilience	Ian Peters	28	-	-	-	-	-	-	-	-	😊	Budget profiled in 2017-18	
		J152	SQL Database replacement/licensing consolidation	Ian Peters	17	17	-	-	-	-	-	17	-	😊	New server and Microsoft licenses purchased. Remaining work yet to be scheduled but anticipated to be Q4 (Jan - Mar 2016)	
		J159	Upgrade of server infrastructure (licensing & PSN)	Ian Peters	20	20	-	2	2	-	-	2	30	-	😊	New server purchased. Phase 1 - replacement of existing services due in October. Phase 2 - Expansion of services due in Q4 (Jan - Mar 2016).
		J161	Upgrade of Intranet	Kathryn Rance	30	30	5	3	-2	3	6	20	-	😊	Scheme is currently on time and within budget	
		J165	Swanspool House Boiler replacement	Liz Elliott	30	30	-	-	-	-	-	30	-	😊	Contractors are scheduled to be on site 16.11.15.	
		J041	Non Operational Property	Paul Burnett	40	40	28	-	-28	-	-	-	28	-	😞	Contingency budget for unforeseen emergency repairs.
	Asset maintenance for H&S / Compliance - investment	J116	Croyland Hall Abbey	Paul Burnett	-	-	12	12	-	-	12	12	-	😞	The overspend on this scheme was due to unforeseen circumstances. A virement from the non operational property contingency fund J041 was agreed to cover these costs.	
		J118	29-30 Sheep Street	Paul Burnett	154	154	50	-	-50	-	-	154	-	😊	Contractors are now on site and work is progressing.	
		J119	Tithe Barn Roof	Paul Burnett	49	49	9	7	-2	111	118	7	-42	😊	Completed. (Remaining commitment is in respect of thatching works at Sheep St, one order raised to contractor for both schemes)	
	Maintenance for H&S / Compliance	J037	Wellingborough Road Adoptions Scheme	John Udall	510	205	55	49	-6	253	302	205	-	😊	The scheme has been delayed by KierWSP. There are still works required on Redhill farm that have been ordered but not started. However the legal work with BCW and NCC has progressed well to date	
		J113	Nest Farm Road Wall	Paul Burnett	65	65	65	58	-7	3	61	65	-	😊	The scheme is now almost complete. The wall has been repaired and the contractor has been paid. (Less a small retainer £2,258) All that remains is to remove the trees that are adjacent to the wall to prevent further damage. (Approx. £3,500)	
	New assets for operational use	J107	Telephone System	Alison Curtis	73	73	-	-	-	-	-	73	-	😊	Initial meetings with suppliers to scope procurement requirements have begun. Too early to fully understand budget requirements but expect to be able to give further update by the end of the quarter. It is possible that this scheme will not complete bef	
		J132	Desktop Equipment Replacement and Windows7	Alison Curtis	89	-	-	-	-	-	-	-	-	-	😊	Budget profiled in 2017-18
J106		Electronic Data Record System	Kathryn Rance	20	20	-	-20	-20	20	0	20	-	-	😊	In dispute with supplier	
To generate further revenue resources	Invest to generate income return	J156	Waste Transfer Station	Bernard Gallyot	120	120	-	-	-	-	-	-	-120	😊	Project is on hold, as the original costing's were inadequate for the building, along with no costing's allocated for the Grounds works and Weigh Bridge. An additional £100k was approved in principal subject to a revised business case, to be completed.	
		J126	Crematorium	Liz Elliott	4,213	4,213	1,963	1,881	-82	2,199	4,080	4,213	-	😊	Contractors are now on site with completion programmed for 2016. The PO is raised for the total scheme spanning two financial years.	
		J154	Photovoltaic Panels	Paul Burnett	760	760	-	-	-	-	-	-	-760	😊	Government Closing Feed in Tariff - this will effect the Business Case for this Project. Trafalgar House and Waendel Centre schemes still possible.	
	Wellbeing and grants (to avoid revenue costs)	J100	Wellingborough Heritage and Shop Front Grant Initiative	John Udall	1,974	177	43	21	-22	2.00	23	177	-	😊	The THI work has been reprofiled mainly due to the delay in the works at the Hind. These are now in progress. The majority of works will occur in the 2016-2018 financial years	
		J151	Shop Front Improvements	John Udall	260	-	-	-	-	-	-	-	-	-	😊	This budget profile matches the THI profile and is likely to be spent in 2016-2018
		K001	Renovation Grant-Discretionary	Vicki Jessop	184	64	6	-	-6	-	-	20	-44	😊	Renovation grant applications to the value of £20,000 are in progress. Officers are considering a energy project which would commit the spend before the year end.	
		K002	Disabled Facilities Grant	Vicki Jessop	802	274	274	228	-46	-	228	274	-	😊	Expenditure is projected to meet target of £500,000 (£240k additional budget agreed to be released pending further information) for the year with approximately 90 applications in progress constantly. With the government's strategic aim to help people rema	

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To achieve policy objectives	Invest to save	J160	Fuel storage tank replacement - Norse	Bernard Gallyot	40	40	-	-	-	-	-	40	-	😊	The first part of the project has been implemented with the main tank in place, the second phase will progress in the next few weeks with the smaller tanks being installed.	
		J162	PFP Leisure	Liz Elliott	617	410	310	314	4	302	616	410	-	😊	Initial claim received with schedule of works ongoing. The PO is raised for the total scheme spanning two financial years.	
		K302	Kick Start Housing Development	Vicki Jessop	109	109	69	69	-	-	69	109	-	😊	EMH have been awarded £69,000 of this budget to provide affordable housing at the Embankment site which is in progress and should be complete in 2016. The remaining budget will be used to carry out works to improve energy efficiency at the Embankment.	
	CPO / Property regeneration	J127	Private Sector Housing Grant - homelessness initiative	Vicki Jessop	85	40	19	26	7	-	26	40	-	😊	The scheme to provide temporary accommodation and reduce the use of B&B has increased momentum with Wellingborough Homes providing the majority of units. We have spent £25,500 since April for the provision of 20 properties with an expected spend of £40K b	
		K007	Empty Properties	Vicki Jessop	367	367	2	1	-1	3	4	25	-342	😞	Further properties to be identified against this budget are being investigated and a programme of properties which could come forward with indicative costs is being prepared. It is not anticipated that all these properties will proceed to acquisition howe	
		J149	CPO Fund	Victoria Phillipson	860	305	72	60	-12	-	60	100	-205	😞	31-32 Church Street purchased. Building demolition is being costed.	
	Community / S106	J155	Town Centre CCTV Equipment replacement	Gill Chapman	9	9	-	-	-	-	-	9	-	😊	The specification for the remainder of the equipment has been costed and a budget shortfall of £665 identified. A request for supplementary budget has been submitted in order that the scheme can be completed.	
		J164	Superfast Broadband	Liz Elliott	27	27	-	-	-	-	-	27	-	😊	Budget to support the shortfall in NCC funding for the rollout of superfast broadband across the borough.	
		K105	Glamis Hall for All	Liz Elliott	250	250	50	-	-50	-	-	50	-200	😞	Community asset transfer completed 17.8.15. Awaiting schedule of works in order to profile grant payments however it is likely that the majority of this budget will be carried forward into 2016-17.	
		K221	Parish Council Irchester	Liz Elliott	7	7	7	2	-5	-	2	2	-5	😞	Completed.	
		J139	Castle Fields Park S106	Victoria Phillipson	266	266	-	-	-	-	-	266	-	😊	Feasibility study done, Open Space report received and reviewed.	
		J140	Eastfields Park S106	Victoria Phillipson	27	27	-	-	-	-	-	27	-	😊	Work to be carried out by Wnorse - date TBC	
		J141	Croyland Park S106	Victoria Phillipson	29	29	-	-	-	-	-	29	-	😊	Work to be carried out by Wnorse - date TBC	
		J143	Bassetts Close S106	Victoria Phillipson	22	22	-	-	-	-	-	22	-	😊	Some work to be carried out by Wnorse - date TBC. Skate Park being considered with members of the community.	
		J144	Queensway Open Space S106	Victoria Phillipson	17	17	-	-	-	-	-	17	-	😊	Project to be identified - review of Open Space report be carried out.	
		J147	Finedon Recreation Projects S106	Victoria Phillipson	25	25	-	-	-	-	-	25	-	😊	Work to be carried out by Wnorse - date TBC	
		J148	Allotment Improvements S106	Victoria Phillipson	7	7	-	1	1	-	-	1	7	-	😊	Work progressing slowly with Allotment Associations.
		J153	Bassetts Park Skate Park	Victoria Phillipson	110	110	-	-	-	-	-	110	-	😊	Working with community group to bring forward proposals for new skate park in order to apply for additional match funding.	
		J163	Doddington Road Cemetery Parking Improvements	Victoria Phillipson	31	31	31	29	-1	-	-	29	29	-1	😊	Completed.
		Public Realm	J042	High Street Development	Jennifer Bell	72	72	5	5	-	-	5	5	-68	😞	Funds no longer required.
	J122		Street Furniture	Jennifer Bell	46	46	27	27	-	-	-	27	46	-	😊	Repairs to the mosaics in Market Street are due to be completed end of September, on target.

Current Programme Totals 12,460 8,524 3,102 2,775 -327 2,896 5,671 6,737 -1,787

Funded by:
 S106 402 402
 Heritage Lottery Fund 1,519 120
 Disabled Facilities Grant 792 264
 Capital Receipts 9,746 7,738

12,460 8,524

Current Capital Reserves:

	2015-16 £000
Capital Reserves Funding Balance B/f	12,604
Current Capital Programme (Appendix 1)	4,919
<i>Approved June</i>	13
<i>Approved September</i>	66
<i>2014-15 Outturn underspend reprofiled</i>	3,526
<i>Approved schemes awaiting available resources</i>	—
Capital Programme	<u>8,524</u>
External Funding	
Capital S106	402
Disabled facilities Grant	264
Heritage Lottery funding	120
	<u>786</u>
Current Capital Programme funded by capital reserves	<u>7,738</u>
Anticipated Capital Receipts	
<i>RTB & VAT Shelter</i>	1,250
<i>Asset Held for Sale</i>	475
<i>Other Anticipated Capital Receipts</i>	10,000
Income transferred to Capital Investment Reserve	-2,500
Anticipated New Capital Receipts	<u>9,225</u>
Forecast Capital Reserves Funding Balance C/f	<u>14,091</u>

Subject to future funding changes

NB - Italics Estimate

