

CAPITAL PROGRAMME MONITORING

1 Purpose of Report

This report presents members with the capital programme monitoring information to 30 September 2018.

2 Executive Summary

The total capital budget for 2018-19 of £6.987m was reported at resources committee on the 13 June 2018. Subsequent updates and amendments to the budget are reported in the body of this report and are shown in the table at 6.1. The revised capital budget for 2018-19 is £6.746m.

3 Appendices

Appendix 1: Capital Outturn Report to 30 September 2018

Appendix 2: Capital Programme Funding Position

Appendix 3: Urgent Action – DFG

4. The resources committee is invited to RESOLVE to:

4.1 Note the projected outturn and anticipated variances as at 30 September 2018 as shown in Appendix 1

4.2 Note the External funding as stated in Appendix 2

4.3 Agree the inclusion of the supplementary budget requests as detailed in Section 9 in the agreed capital programme.

4.4 Note the updates and amendments to the 2018-19 capital programme as shown in Section 6.

4.5 Note the Urgent Action Request, approved under delegated powers in Section 7.

5. Introduction

5.1 Capital monitoring is reported 4 times in the year, 3 in year reports, of which this is the second, and the final out turn position in June of the following financial year. This report reflects the monitoring position as at 30 September 2018. The subsequent reports will show the changes in the monitoring position as at the following dates:

- 31 January 2019
- 31 March 2019

6. Updates and amendments to the 2018-19 Capital Programme

6.1 The full assessment of the capital monitoring is attached to this report in Appendix 1; the table below provides information on the capital programme movements within 2018-19.

Capital Programme	£'000
Original 2018-19 Capital Programme (including brought forward)	6,987
<i>Resources Committee 7 February 2018</i>	
J100 Wellingborough Heritage and Shop Front Grant Initiative	54
J195 Multi Storey Car Park Express Passenger Lifts	13
<i>Resources Committee 13 June 2018</i>	
J188 Nene Valley Crematorium Memorial Wall	27
J132 Desktop Equipment Replacement and Windows7	-89
J186 ICT Infrastructure	-9
J168 ICT Data Store	-41
J193 IT Strategy Implementation Phase 2	352
<i>Council 17 July 2018</i>	
J194 Redwell 3G pitch	300
<i>Resources Committee 19 September 2018</i>	
K002 Disabled Facilities Grant	592
J100 Wellingborough Heritage and Shop Front Grant Initiative	-727
J127 Private Sector Housing Grant - Homelessness Initiative	-40
J151 Shop Front Improvements	-47
J157 Agresso Upgrade	-25
J185 Castle Theatre	-600
K001 Renovation Grant - Discretionary	-45
K002 Disabled Facilities Grant	-596
K007 Empty Properties	-179
<i>Proposals contained within this report:</i>	
J037 Wellingborough Road Adoptions	94
J191 Temporary Accommodation Mitigation Fund	725
Total Revised 2018-19 Capital Programme	6,746

- 6.2 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.
- 6.3 Officers have updated the current forecasts and it is likely that further requests will be received for re-profiling of some of the budgets and associated funding.
- 6.4 The revised total of £6,746k includes additional allocations of £94k for Wellingborough Road Adoptions and £725k for the temporary accommodation mitigation fund. Further detail of these is shown in section 9 below.

7. Urgent Action

- 7.1 At resources committee in June 2018 it was agreed that the disabled facilities grant service would be brought back into house from April 2019.
- 7.2 Recently, Care & Repair advised that they would be unable to accept further referrals for large scale schemes from 30 September 2018 and for all other schemes from 31 December 2018. This is due to the fact C&R are paid upon the completion of each adaptation and they considered any new referrals would not be completed within those timescales.
- 7.3 In order to ensure continuous service, officers agreed with C&R a fixed monthly payment to replace the 15% currently charged on each completed adaptation. Payment from the disabled facilities budget will be made from 1 October 2018 until 31 March 2019 when the service will be returned in house.

Forecast Outturn

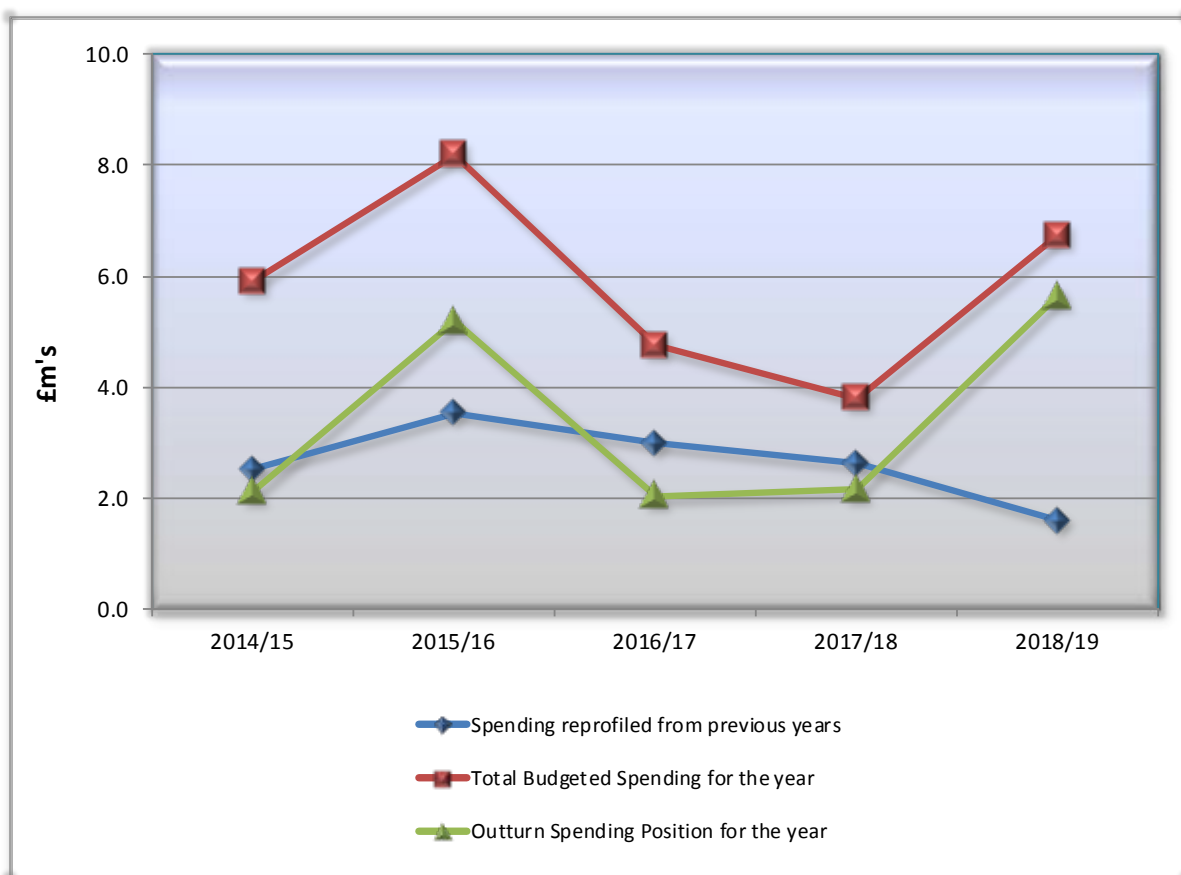
- 8.1 The anticipated forecast outturn reflects the budget position at year end based on the information available in the second quarter of the financial year. There is currently no cause for concern that there is insufficient budget to meet profiled expenditure.
- 8.2 Re-profiling has taken place as identified in the table at 6.1. Further re-profiling may be required as we progress through the year and as more information becomes available and subsequent reports will be updated to reflect this.

The RAG status reflects 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

It should be noted that even where a project is complete, there may be reasons why it is not categorised as 'Green', eg where there has been a significant (greater than 10%) variance against budget or where, although the scheme is complete, invoices for the final costs have not yet been received.

8.3 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. Officers continue to review the capital programme regularly in order to improve the profiling of committed budgets between financial years. The capital spending is now more closely monitored and the reporting of profiled spending improved.



9. Supplementary budget requests

J037 Wellingborough Road Adoption Scheme

- 9.1. Following the release of **Members' Briefing Note 2018-19: 015** on 18 October 2018, a request has been received for an additional £93,694 to complete the Wellingborough Road adoptions scheme at Redhill Farm.
- 9.2. Over 20 years ago the council built a number of roads to facilitate development in the area, this allowed the council to sell plots of land to house builders between 1996 and 2005.

- 9.3. Officers have been working with KierWSP under their contract with NCC to undertake the necessary works to bring these roads and sewers to an adoptable standard.
- 9.4. Due to a number of factors, including additional works being needed and because of delays due to changes in arrangements at NCC, additional budget is required to complete this scheme.

J191 Temporary Accommodation Mitigation fund

- 9.5. At its meetings in June and September 2018, this committee considered progress in the scheme for the purchase of temporary accommodation units, for which a budget of £725k had been included in the capital programme for 2018-19. This included the possibility that this scheme might be expanded and a report elsewhere on this agenda provides a further progress update and a request for the allocation an additional £725k

10 Legal Powers

Local Government Act 1992

11 Financial and Value for Money Implications

These are detailed in this report.

12 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.

13 Implications for resources, equalities, and stronger and safer communities

No specific implications

14 Author and Contact Officer

Julie O’Connell, Finance Manager

15 Consultees

Tony Furber, Project and Technical Accountant
 Budget Managers
 Liz Elliott, Managing Director
 Julie Thomas, Director

16 Background Papers

Financial Services budget monitoring working papers

Desired Outcomes	Themes	Reference	Capital Scheme Title	Responsible Officer	Total Capital Programme 2018-19 -2022-23	Capital Programme 2018-19 Including re-profiling	Profiled Budget to P6 30 September	Actual Expenditure to P6 30 September	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	P6 Responsible Officer Comments	
					£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Current Capital Programme 2018-19 to 2022-23																
Essential for service delivery	Asset maintenance for H&S / Compliance - operational	J041	Non Operational Property	Adrian Piper	23	23	23	-	-23	-	-	23	-	😊	Contingency budget for unforeseen emergency repairs	
		J192	Waendel Leisure Centre Boilers	Adrian Piper	80	80	72	72	-	-	72	72	-8	😊	Complete	
		J195	MSCP lifts	Adrian Piper	13	13	13	-	-13	-	-	-	-13	😊	Wellingborough Norse to undertake works.	
		J185	Castle Theatre	Paul Burnett	1,035	168	47	48	-	-	4	52	168	-	😊	Phase 1 of the works is now complete, Phase 2 is in being programmed.
		J157	Agresso Upgrade	Tony Furber	25	-	-	-	-	-	-	-	-	-	😊	Budget profiled in 2019-20
		J174	Waendel Leisure Centre	Tony Furber	51	51	-	-	-	-	4	4	30	-21	😊	The majority of this budget relates to the Redwell Leisure Centre and will depend on future refurbishment plans yet to be decided.
		J176	IT Strategy Implementation	Karen Denton	20	20	-	-8	-8	-8	18	10	20	-	😊	Awaiting final costs re completion of Phase 1
		J187	Payment Services Upgrade	Tony Furber	19	19	19	15	-4	-4	6	20	19	-	😊	The system upgrade is now live with minor issues being investigated by Capita for final sign off of project.
		J193	IT Strategy Implementation Phase 2	Karen Denton	352	352	-	49	49	49	-	49	352	-	😊	Work is underway based on schedule as agreed at committee
		J181	IDOX EDRMS	Kathryn Rance	15	15	15	15	-	-	-	15	15	-	😊	Complete
	Maintenance for H&S / Compliance	J037	Wellingborough Road Adoptions Scheme	Victoria Phillipson	381	381	83	83	-	-	-	83	381	-	😊	Works completed on site, inspections ongoing by NCC and Anglian Water. Adoption legal paperwork being completed by KierWSP and District Law. Additional funding needed to complete work as a number of additional works have been identified. A further £93,694 is needed. This covers the commuted sum, any legal costs and indexation if applied.
	New assets for operational use	J188	Nene Valley Crematorium Memorial Wall	Adrian Piper	137	137	27	-	-27	-	-	-	137	-	😊	It is anticipated the memorial wall will be completed before the calendar year end.
		J189	Nene Valley Crematorium Skylight	Adrian Piper	50	50	25	-	-25	-	-	-	50	-	😊	The scheme has been delayed as the design for the skylight has required some modification but it is anticipated it will be completed before year end.
		J190	Nene Valley Crematorium Scattering Lawn Memorial	Adrian Piper	30	30	-	-	-	-	-	-	30	-	😊	The scattering lawn memorial has been completed awaiting costs.
J172		Revenue & Benefits EDRMS	Nigel Robinson	136	136	-	100	100	100	64	164	136	-	😊	Technical works on the servers and the infrastructure is ongoing . 50% of the contract costs to be recharged to East Northants.	
J191		Temporary Accommodation Mitigation Fund	Tony Furber	1,450	1,450	725	-	-725	-725	-	-	1,450	-	😊	The acquisition of a number of properties is in progress with two anticipated to complete in the next couple of weeks.	
J107	Telephone System	Kathryn Rance	59	59	59	-8	-67	-67	-	-8	59	-	😊	Complete - awaiting final costs		
To generate further revenue resources	Invest to generate income return	J175	Market Layout	Victoria Phillipson	15	15	-	2	2	-	2	15	-	😊	Work on hold, BCW to engage with operators/community groups to see if they are interested in running the market.	
		J194	Redwell 3G pitch	Victoria Phillipson	300	300	3	1	-2	-	1	300	-	😊	Funding application has been submitted to the FF awaiting decision in October.	
	Wellbeing and grants (to avoid revenue costs)	J100	Wellingborough Heritage and Shop Front Grant Initiative	John Udall	1,653	926	152	114	-39	-39	58	171	500	-426	😊	The current forecast assumes a start date of November for the Hind Hotel project which is now optimistic. If the scheme does not begin a request to reprofile the budget forward will be submitted.
		J151	Shop Front Improvements	John Udall	187	141	80	55	-25	-25	8	64	120	-21	😊	Spending on target with three schemes due to begin.
		K001	Renovation Grant-Discretionary	Vicki Jessop	111	66	33	12	-21	-21	-	12	33	-33	😊	Grant applications usually increase during the winter months for repairs such as boilers. A bid is being submitted for OCO energy efficiency funding, if successful this budget may be used top up payments for boilers and similar repairs.
		K002	Disabled Facilities Grant	Vicki Jessop	905	309	154	164	10	10	-	164	309	-	😊	The DFG budget spend has increased since the same point 2017/18. An urgent action request has been approved to pay Care & Repair a fixed sum over the next 6 months, instead of 15% of the cost of works. This will ensure continuity of service until it is brought in house in April 2019.

Desired Outcomes	Themes	Reference	Capital Scheme Title	Responsible Officer	Total Capital Programme 2018-19 -2022-23	Capital Programme 2018-19 Including re-profiling	Profiled Budget to P6 30 September	Actual Expenditure to P6 30 September	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	P6 Responsible Officer Comments
To achieve policy objectives	Invest to save	J162	PFPP Leisure	Tony Furber	240	240	-	-	-	241	241	240	-	😊	Awaiting updated schedule of recharges from P6P Leisure
	CPO / Property regeneration	J127	Private Sector Housing Grant - homelessness initiative	Vicki Jessop	63	22	9	5	-5	8	12	28	6	😊	The IMA scheme is being revised following the implementation of the Homelessness Reduction Act 2017. It is intended that with a revised scheme, we will be able to achieve more units to mitigate the current costs of TA. A business case is being developed for the new scheme which should be in place by January 2019.
		K007	Empty Properties (Rolling Fund)	Vicki Jessop	366	187	30	31	1	1	32	34	-153	😊	This budget is currently fully committed to approved Compulsory Purchase Orders. One of which has been held in abeyance for 6 months pending action being taken to reoccupy the property, the other will not be completed before the end of 2018/19. Should the CPO's not progress then other properties have been scored and prioritised for action once the budget is no longer committed.
		J149	CPO Fund (Rolling Fund)	Victoria Phillipson	594	594	-	-8	-8	1	-6	594	-	😊	Works ongoing to 31-32 Church Street. Further projects being considered, but no staff resources to progress.
	Community / S106	J183	Waendel Leisure Centre Pool Area	Gill Chapman	197	197	-	6	6	-	6	197	-	😊	Phase 1 & phase 2 schedule of works agreed and works expected to take place Nov/Dec 2018
		K008	Capital Community Grants	Gill Chapman	250	175	50	36	-15	-	36	175	-	😊	A Voluntary Sector Working Party meeting is planned for 30 October to review further submissions.
		K105	Glamis Hall for All	Tony Furber	177	177	30	40	10	-	40	100	-77	😊	The external facelift is complete, works on the major refurbishment are anticipated to commence towards year end.
		J139	Castle Fields Park S106	Victoria Phillipson	246	246	43	60	17	2	62	46	-200	😊	Further work to be commissioned shortly to identify what each of our parks needs to improve it.
		J140	Eastfields Park S106	Victoria Phillipson	3	3	3	-	-3	-	-	-	-3	😊	Specific work complete, further work to be commissioned shortly to identify what each of our parks needs to improve it.
		J141	Croyland Park S106	Victoria Phillipson	2	2	2	1	-1	-	1	1	-1	😊	Specific work complete, further work to be commissioned shortly to identify what each of our parks needs to improve it.
		J143	Bassett's Close S106	Victoria Phillipson	21	21	-	-	-	-	-	1	-20	😊	Further work to be commissioned shortly to identify what each of our parks needs to improve it. This should consider if there is a need for a skate ramp.
		J144	Queensway Open Space S106	Victoria Phillipson	17	17	-	-	-	-	-	2	-15	😊	Project on hold
		J147	Finedon Recreation Projects S106	Victoria Phillipson	2	2	2	-	-2	-	-	-	-2	😊	Complete - budget to be returned to S106 pot.
		J148	Allotment Improvements S106	Victoria Phillipson	2	2	2	-	-1	-	-	-	2	-	😊
	J153	Bassetts Park Skate Park	Victoria Phillipson	110	110	-	-	-	-	-	-	10	-100	😊	Further work to be commissioned shortly to identify what each of our parks needs to improve it. This should consider if there is a need for a skate ramp.
	Public Realm	J122	Street Furniture	Victoria Phillipson	10	10	-	-	-	1	1	10	-	😊	Majority of work on hold, BCW to engage with operators/community groups to see if they are interested in running the market. Some work progressing on Pebble Lane sign.

Current Programme Totals **9,347** **6,746** **1,701** **884** **-818** **415** **1,299** **5,659** **-1,087**

Funded by:
 S106 293 293
 Heritage Lottery Fund 1,124 630
 Disabled Facilities Grant 905 309
 Capital Receipts 7,025 5,514

9,347 **6,746** **SORT ROUNDING**

Current Capital Reserves:

	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000
Capital Reserves Funding Balance B/f	17,361	20,313	19,102	19,327	19,552
Current Capital Programme (Appendix 1)	5,382	292	25	25	
<i>2018-19 New capital programme (February Resources)</i>	67				
<i>2017-18 Outturn underspend reprofiled</i>	1,605				
<i>Approved Resources 13 June 2018</i>	240				
<i>Approved Council 17 July 2018</i>	300				
<i>Approved Resources 19 September 2018</i>	-1,667	2,259			
<i>Adjustments as contained in this report</i>	819				
Capital Programme as per Agresso	6,746	2,551	25	25	-
<i>Crematorium infrastructure - approved in principal Resources 13 June 2018</i>	1247				
<i>Approved schemes awaiting available resources</i>	200				
Capital Programme	8,193	2,551	25	25	-
External Funding					
Capital S106	293				
Disabled Facilities Grant	309	596			
Heritage Lottery funding	593	494			
	1,195	1,090	-	-	-
Current Capital Programme funded by capital reserves	6,998	1,461	25	25	-
Anticipated Capital Receipts					
<i>RTB , VAT Shelter & Asset Sales</i>	250	250	250	250	
<i>Other Anticipated Capital Receipts</i>	12,700				
Income transferred to Capital Investment Reserve	-3,000				
Anticipated New Capital Receipts	9,950	250	250	250	-
Forecast Capital Reserves Funding Balance C/f	20,313	19,102	19,327	19,552	19,552

NB - Italics Estimate

Forecast Capital Reserves if anticipated income not received	10,363	9,152	9,377	9,602	9,852
Minimum Capital Reserve	5,000	5,000	5,000	5,000	5,000
Available resources for capital programme	5,363	4,152	4,377	4,602	4,852

REQUEST FOR URGENT ACTION
(In accordance with Section 3.3.08 Urgent Action of the Constitution)

REPORTING COMMITTEE: Services Committee
DATE OF NEXT MEETING: 15/01/2019
PURPOSE OF REPORT: Request for approval to pay Care & Repair a monthly fee of £5000 instead of 15% per completed case from 1 October 2018 until 31 March 2019 to ensure a smooth transition of the Disabled Facilities Grant (DFG) service prior to the service coming back in house.
REASON FOR URGENCY: At resources committee in June 2018 it was agreed that the DFG service would be brought back in house from April 2019. In response to this, Care & Repair advised that they would be unable to accept further referrals for large scale schemes from the 30th September 2018 and for all other schemes from the 31st December 2018 resulting in the service being unable to be run during this interim period until it is brought back in house, for the reasons set out below. An urgent decision is required -to allow for the service to continue to be run by Care & Repair from 1 October 2018. Due to the end of funding to Care & Repair from NCC and urgent decision is required to retain the support worker role beyond the end of September.
KEY FACTS: <ul style="list-style-type: none">• This alternative payment arrangement avoids any break in the service and ensures that cases can continue to be handled until April 2019.• A monthly payment allows for cases that will not be completed by 31st March 2019 to still be managed and processed by Care & Repair after April 2019. Care & Repair advised that under this system, the cut-off date for referrals for technical surveys for works would be 15th March 2019 which would be acceptable.• Care & Repair receive funding from Northamptonshire County Council to cover the cost of completing 'Healthy Homes Assessments' for residents. 'Healthy Homes Assessments' are not a statutory function but the member of staff employed part time by C&R to complete these assessments also completes casework for DFGs. This NCC funding will cease at the end of September 2018 and consequently the 0.5FTE support worker role will no longer exist.

NB: To comply with the Constitution this signed urgent action pro forma must be attached to a report to the next meeting of the Committee concerned.

- Officers will continue to prepare the arrangements for the service from April 2019. This will require a review of staffing resources required to run this service, including consideration of any TUPE implications.
- It is proposed that BCW will make 6 monthly payments of £5000 to Care & Repair from 1st October 2018 to 31st March 2019 and cease paying 15% of the net build cost per job for all cases approved as of the 1st October 2018. The costs to run this service will be met fully from the DFG capital grant budget.




FINANCIAL IMPLICATIONS:

BCW currently pay 15% of the net build cost per job at the completion of works. Based on a spend of £165,649.91, including Care & Repair fees, during the same period of 2017/18, it is estimated that the total cost paid to Care & Repair for completed works until March 2019 would be £21,606.51. This does not include the costs related to the support worker role ending on the 30th September 2018.

Care & Repair have advised the following service costs to run the service until March 2019, including the support worker role, over the 6 month period from 1 October 2018 to 31 March 2019:

Staff Salaries inc NI and Pension	£23944.11
Travel	£2000.00
Overheads	£3891.62
Total Cost including Overheads – Office Costs, management	£29835.73

SIGNATURES:

- REPORT AUTHOR: J HODGSON  DATE: 2.10.18
- DIRECTOR: JULIE THOMAS  DATE: 2.10.18
- CHAIRMAN/VICE-CHAIRMAN OF COMMITTEE :
CLLR ALLEBONE  DATE: 02.10.18

IF FINANCIAL IMPLICATIONS SIGNATURE OF:

- CHAIRMAN/VICE-CHAIRMAN OF RESOURCES COMMITTEE:  DATE: 2.10.18

NB: To comply with the Constitution this signed urgent action pro forma must be attached to a report to the next meeting of the Committee concerned.