

Resources Committee

20 March 2019

Report of the Section 151 Officer

CAPITAL PROGRAMME MONITORING**1 Purpose of Report**

This report presents members with the capital programme monitoring information to 31 January 2019.

2 Executive Summary

The total original capital budget for 2018-19 of £6.987m was reported at Resources Committee on 31 October 2018. Subsequent updates and amendments to the budget previously reported are shown in the table at 6.4. Further reprofiling identified in section 7 results in a revised capital budget for 2018-19 of £4.023m.

3 Appendices

Appendix 1: Capital monitoring report up to 31 January 2019

Appendix 2: Summary of capital resources

4. The Resources Committee is invited to RESOLVE to:

4.1 Note the projected outturn and anticipated variances as at 31 January 2019 as shown in Appendix 1

4.2 Note external funding as stated in Appendix 2

4.3 Note the scheme re-profiling outlined in 7.2 & 7.3 in the agreed capital programme

4.4 Agree the previously awarded funding for works at the Castle Theatre be repurposed as shown in Section 8.

5. Introduction

5.1 Capital monitoring is reported four times in the year: three 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 third in year report for 2018-19 and reflects the monitoring position as at 31 January 2019.

5.2 Further financial forecasts will be reported to committee to show the changes in the monitoring position as at the following dates:

- 31 March 2019

6. Discussion

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

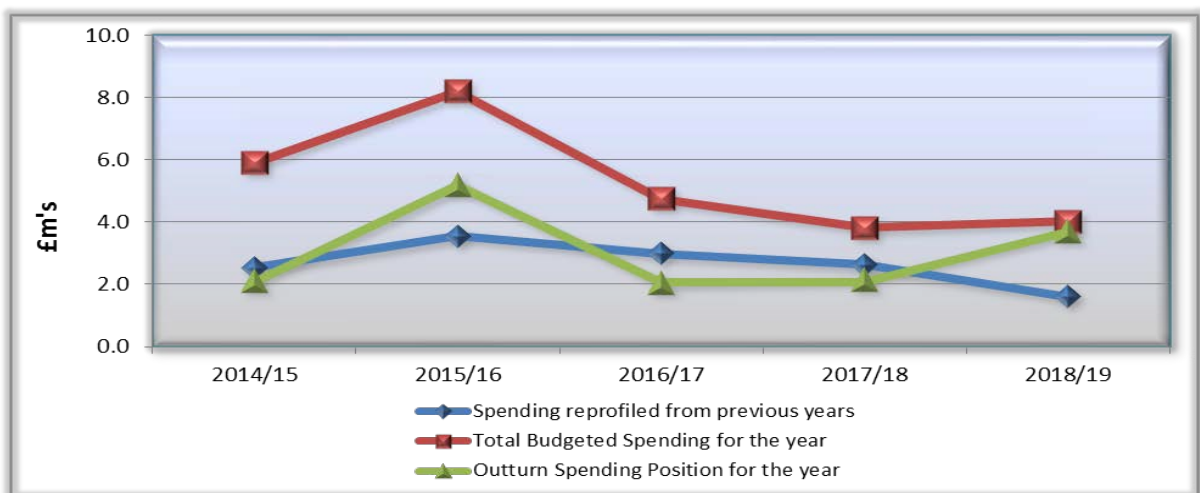
The report details the current position for approved schemes. The comments are provided by the individual responsible officers and the financial software, Agresso, has been updated with profiling of capital schemes, as advised. Whilst officers provide the profiling information at the beginning of the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

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

6.2 The anticipated forecast outturn reflects the budget position at year end based on the information provided by officers to date. There is currently no cause for concern that there is insufficient budget to meet profiled expenditure. Previously agreed amendments to the capital budget are shown in the table at 6.4.

6.3 The graph following shows the level of budgeted and committed resources based on planned delivery of schemes and projects compared to the actual spending, it 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.



6.4 As schemes are approved for capital funding, budget managers provide information on the expenditure plans and budget is profiled accordingly across the medium term programme as shown in Appendix 2.

The table below provides information on the previously agreed Capital Programme movements within 2018-19:

Capital Programme	£'000
Original 2018-19 Capital Programme (including brought forward)	6,987
Resources Committee 7 February 2018	
J100 Wellingborough Heritage and Shop Front Grant Initiative	54
J195 Multi Storey Car Park Express Passenger Lifts	13
Resources Committee 13 June 2018	
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
Council 17 July 2018	
J194 Redwell 3G pitch	300
Resources Committee 19 September 2018	
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
Resources Committee 31 October 2018	
J037 Wellingborough Road Adoptions	94
J191 Temporary Accommodation Mitigation Fund	1,000
Proposals contained within this report	
Budget reprofiling as details in sections 7.2 and 7.3	-2,998
Total Revised 2018-19 Capital Programme	4,023

- 6.5 It is recognised that there are some schemes that are dependent on external factors in order to progress to completion. These are:
- Wellingborough Road Adoptions
 - Wellingborough Heritage and Shop Front grant initiative
 - IT Strategy Implementation

Officers continue to closely monitor the progress of these schemes and if necessary will request that some re-profiling is made as soon as the situation is clarified.

7. Re-profiling

- 7.1 In order to manage the capital programme officers regularly review the expenditure and anticipated incomes to ensure resources are available when required. This requires that budgets and anticipated incomes are profiled accordingly within the current financial year and across the medium term programme.

7.2 Officers have identified the following schemes where it is unlikely they will complete before the end of this financial year.

Included in these schemes are:

- £0.65m in respect of the Compulsory Purchase Order budgets. These are earmarked amounts and although there is no definitive use planned in the near future these budgets must remain available.
- £1.477m in respect of schemes where external sources can influence the completion and delays are not always within BCW control i.e. S106 and Heritage Lottery funding projects.
- £0.5m in respect of the Temporary Accommodation Mitigation fund. A number of properties have been identified and negotiations are progressing. Whilst they are not expected to complete before this financial year end it is anticipated it will be very early in the new financial year.

Budget totalling £3.098m has been re-profiled into 2019-20, as shown in the table below:

Cost Centre	Capital Scheme	2018-19 £'000	2019-20 £'000
J100	Wellingborough Heritage and Shop Front Grant Initiative	-700	700
J139	Castle Fields Park S106	-180	180
J143	Bassett's Close S106	-20	20
J144	Queensway Open Space S106	-17	17
J151	Shop Front Improvements	-50	50
J153	Bassetts Park Skate Park	-100	100
J162	PFP Leisure	-200	200
J172	Revenue & Benefits EDRMS	-26	26
J174	Waendel Leisure Centre	-50	50
J183	Waendel Leisure Centre Pool Area	-95	95
J185	Castle Theatre	-65	65
J189	Nene Valley Crematorium Skylight	-50	50
J191	Temporary Accommodaton Mitigation Fund	-500	500
J194	Redwell 3G Pitch	-200	200
K001	Renovation Grant-Discretionary	-30	30
K008	Capital Community Grants	-80	80
K105	Glamis Hall for All	-85	85
	Sub total	-2,448	2,448
	CPO - Rolling Budgets		
J149	CPO Fund	-500	500
K007	Empty Properties	-150	150
	Total reprofiling	-3,098	3,098

7.3 The completion of adaptations provided under the Disabled Facilities Grants scheme have progressed sooner than originally anticipated. The associated budget has been reprofiled forward into 2018-19 to reflect this as shown in the table below:

Cost Centre	Capital Scheme	2018-19 £'000	2019-20 £'000
K002	Disabled Facilities Grant	100	-100

8. Update on the Castle Theatre

- 8.1 In November 2017 this committee resolved to allocate £1.050m of capital monies for upgrade works at The Castle Theatre. Phase 1 of the works is complete and Phase 2, which requires collaboration with the theatre operator Parkwood Leisure, is now underway.
- 8.2 The original works were recommended as a result of a theatre review by an external consultant. The plan has since been reviewed by Parkwood Leisure with the following projects being deemed unnecessary:
- Replacement of the seating wagons and air castors
 - Recovering of the seat pads
 - Replacement of the sprung dance floor in the studio
- 8.3 A request has been received to allow the previously approved funding for the above projects, in the sum of £109,710, to be re purposed for the replacement of the auditorium seats. It is considered that this will provide a greater benefit to the customers of the theatre.

9 Legal Powers

Local Government Act 1992

10 Financial and Value for Money Implications

These are detailed in this report.

11 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.

12 Implications for Resources, Equalities, and Stronger and Safer Communities

No specific implications

13 Author and Contact Officer

Julie O'Connell, Finance Manager

14 Consultees

Shaun Darcy, Director, Section 151 Officer
Liz Elliott, Managing Director
Julie Thomas, Director
Budget Managers

15 Background Papers

Previous Capital Programme reports to Members

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 P10 31 January	Actual Expenditure to P10 31 January	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	P10 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	Waendal Leisure Centre Boilers	Adrian Piper	80	80	72	72	-	-	72	72	-8	😊	Complete	
		J195	MSCP lifts	Adrian Piper	13	13	13	-	-13	-	-	-	-13	😊	Works are due to start in the next couple of weeks and it is anticipated the scheme will complete by year end.	
		J185	Castle Theatre	Adrian Piper	1,035	103	103	90	-13	-	90	100	-3	😊	Phase 1 of the works is now complete, a request to re purpose some of the Phase 2 budget is included within the body of the report.	
		J157	Agresso Upgrade	Gary Moss	25	-	-	-	-	-	-	-	-	-	😊	Budget profiled in 2019-20
		J174	Waendal Leisure Centre	Gill Chapman	51	1	-	-	-	-	-	1	-	-	😊	The majority of this budget relates to the Redwell Leisure Centre, funds will be reclaimed when works begin.
		J176	IT Strategy Implementation	Karen Denton	20	20	-	17	17	-	-	17	17	-3	😊	Complete
		J193	IT Strategy Implementation Phase 2	Karen Denton	352	352	-	60	60	-	-	60	352	-	😊	Current IT Programme is being reviewed at both the Board and Steering Group levels to assess the best course of action to deliver the BAU projects and prepare the council for the future.
		J181	IDOX EDRMS	Kathryn Rance	15	15	15	15	-	-	-	15	15	-	😊	Complete
		J187	Payment Services Upgrade	Nigel Robinson	19	19	19	15	-4	-	-	15	15	-4	😊	The system upgrade is now live with minor issues being investigated by Capita for final sign off of project.
	Maintenance for H&S / Compliance	J037	Wellingborough Road Adoptions Scheme	Victoria Phillipson	381	381	380	83	-298	-	83	380	-	😊	Some further work needed by NCC, work and legal agreement progressing to hopefully complete 2018/19.	
	New assets for operational use	J188	Nene Valley Crematorium Memorial Wall	Adrian Piper	137	137	27	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	-	-	-	-	-	-	-	-	-	😊	Due to delays with the design the budget has been re profiled in 2019-20
		J190	Nene Valley Crematorium Scattering Lawn Memorial	Adrian Piper	30	30	-	27	27	-	-	27	30	-	😊	Complete
		J107	Telephone System	Kathryn Rance	59	59	59	-8	-67	-	-	-8	59	-	😊	Complete - awaiting final costs
J172		Revenue & Benefits EDRMS	Nigel Robinson	136	110	110	160	50	-	-	160	110	-	😊	Technical works on the servers and the infrastructure is ongoing . Awaiting PO from ENC in order to recharge 50% of the contract costs.	
J191		Temporary Accommodation Mitigation Fund	Vicki Jessop	1,725	1,225	1,225	598	-627	-	-	598	1,149	-76	😊	4 properties that were completed are now occupied. It is anticipated 4 more completions will go through in March. Another 2 have had offers accepted and should complete in the early part of 2019/20.	
To generate further revenue resources	Invest to generate income return	K001	Renovation Grant-Discretionary	Amanda Wilcox	111	36	25	22	-3	-	22	33	-3	😊	All renovation grant applications submitted either have been, or are being processed. The authority was part of a countywide successful bid for funding from the Warm Homes Fund. This will support the connection of private properties onto the gas mains. The project begins in April and the LA contribution to these connections, will be funded from this budget during 2019/20	
		K002	Disabled Facilities Grant	Amanda Wilcox	905	409	357	339	-18	-	339	400	-9	😊	All disabled facility grant applications submitted are in the process of being granted. There is no backlog within BCW. Care and Repair are moving in-house from Spire Homes on 1st April 2019. This will make the DFG process more efficient.	
	Wellbeing and grants (to avoid revenue costs)	J100	Wellingborough Heritage and Shop Front Grant Initiative	John Udall	1,653	226	152	184	32	3	187	200	-26	😊	The Hind Hotel project with a grant of up to £867k is due to start on site on 25 February with a projected end date of October 2019, however there are issues with the supply of Collyweston slate for the roof repairs that may cause an overrun."	
		J151	Shop Front Improvements	John Udall	187	91	81	58	-23	-	58	75	-16	😊	This budget is for council owned properties only. Two Projects are currently on site and one is proposed. Overall the budget is on track for completion before October 2019"	
		J175	Market Layout	Victoria Phillipson	15	15	-	2	2	-	-	2	10	-5	😊	Work progressing on Pebble Lane sign and Mosaic repairs work is being progressed as approved at Town Centre Sub-Committee.
		J194	Redwell 3G pitch	Victoria Phillipson	300	100	1	3	2	3	6	100	-	😊	Funding has been confirmed by the Football Foundation for £438, 575. Works to start on site in Spring 2019 depending on the weather.	

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 P10 31 January	Actual Expenditure to P10 31 January	Variance Year to Date	Commitments	Committed Expenditure to current period	Forecast for the year	Variance Forecast for year against budget	RAG Status	P10 Responsible Officer Comments	
To achieve policy objectives	Invest to save	J162	PFP Leisure	Gill Chapman	240	40	-	29	29	-	29	30	-10	☹️	Awaiting updated schedule of recharges from P1P Leisure, small recharge received in February.	
	CPO / Property regeneration	K007	Empty Properties	Amanda Wilcox	366	37	37	32	-5	-	32	34	-3	☺️	This budget is currently fully committed to approved Compulsory Purchase Orders. A full review is being undertaken on the CPO's. Two properties are part way through the process, but neither will be complete in this financial year. Should the CPO's not progress then other properties have been scored and prioritised for action once the budget is no longer committed.	
		J127	Private Sector Housing Grant - homelessness initiative	Vicki Jessop	63	22	21	20	-2	-	20	23	-	☺️	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.	
		J149	CPO Fund	Victoria Phillipson	594	94	-	-8	-8	-	-8	10	-84	☹️	Further projects being considered, budget needs to be available should a CPO need to be progressed.	
	Community / S106	K105	Glamis Hall for All	Gary Moss	177	92	90	72	-18	-	72	80	-12	☹️	Major refurbishment works are anticipated to commence later in the year, claims for reimbursement to be received from GHFA..	
		J183	Waendel Leisure Centre Pool Area	Gill Chapman	197	102	-	6	6	-	6	102	-	☺️	Claim received in February for majority of budget.	
		K008	Capital Community Grants	Gill Chapman	250	95	51	49	-1	-	49	90	-5	☹️	A further grant has been awarded to Great Harrowden to upgrade the street lighting.	
		J139	Castle Fields Park S106	Victoria Phillipson	246	66	43	60	17	-	60	62	-3	☺️	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	-	-	1	-2	☹️	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	1	-	-	-	-	-	1	-	☺️	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	-	-	-	-	-	-	-	-	-	☺️	Project on hold, budget has been re profiled into 2019-20.
		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	-	-	☺️	Resources Committee agreed to a request to change the previously approved spend at Ladywell Allotments, further costs anticipated.
		J153	Bassetts Park Skate Park	Victoria Phillipson	110	10	-	-	-	-	-	-	2	-8	☹️	Works progressing with community to consider the need for a skate ramp.
Public Realm	J122	Street Furniture	Victoria Phillipson	10	10	-	2	2	-	2	3	-7	☹️	Work progressing on Pebble Lane sign and Mosaic repairs work is being progressed as approved at Town Centre Sub-Committee.		

Current Programme Totals **9,622** **4,023** **2,913** **2,026** **-886** **5** **2,032** **3,719** **-303**

Funded by:		
S106	293	76
Heritage Lottery Fund	1,124	154
Disabled Facilities Grant	905	409
Capital Receipts	7,300	3,384
	9,622	4,023

Capital Programme Funding Position

Appendix 2

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	23,036	15,284	14,801	15,026
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>Approved Resources 31 October 2018</i>	1,094				
<i>Reprofiling Proposal contained within this report</i>	-2,998	2,998			
Capital Programme as per Agresso	4,023	5,549	25	25	-
<i>Approved Resources 6 February 2019</i>		3,543	708		
<i>Crematorium infrastructure - approved in principal Resources 13 June 2018</i>	1247				
<i>Approved schemes awaiting available resources</i>	200				
Capital Programme	5,470	9,092	733	25	-
Capital S106	293				
Disabled Facilities Grant	309	596			
Heritage Lottery funding	593	494			
	1,195	1,090	-	-	-
Current Capital Programme funded by capital reserves	4,275	8,002	733	25	-
<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	23,036	15,284	14,801	15,026	15,026

NB - Italics Estimate

Forecast Capital Reserves if anticipated income not received	13,086	5,334	4,851	5,076	5,326
Minimum Capital Reserve	5,000	5,000	5,000	5,000	5,000
Available resources for capital programme	8,086	334	-149	76	326

