

AGENDA ITEM 7

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS COMMITTEE

30 AUGUST 2017

REPORT OF CORPORATE DIRECTOR

CAPITAL PROGRAMME MONITORING TO 31 JULY 2017

1.0 PURPOSE OF THE REPORT

1.1 To update the Committee on the progress of schemes within the Capital Programme to 31 July 2017.

2.0 RECOMMENDATIONS

2.1 Members note the progress made on each capital scheme and that the capital programme will be amended as part of the budget setting process as outlined in section 5.2;

2.2 Members recommend to the Council's Policy, Finance and Administration Committee that the Cattle Market Phase 1 capital programme is increased by up to an additional £15k as section 5.2 refers; and

2.3 Members recommend to the Council's Policy, Finance and Administration Committee that the financing for the Cattle Market Wash Down Area is adjusted to take into account the contributions from Gillstream Markets as section 5.2 refers.

3.0 KEY ISSUES

3.1 Under the Capital Programme Project Appraisal System, monitoring of actual capital expenditure against authorised expenditure is undertaken on a regular basis and reported to the Management Team in its capacity as the Council's Programme Board. Appendix A gives details of the spending against budget for all schemes within this Committee up to 31 July which is the latest available information at the agenda date.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Policy and corporate implications were addressed in setting the current year's budget. There are no further policy and corporate implications arising from this report.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The financial implications for each scheme are as set out in Appendix A

5.2 The overall position for all capital schemes falling within this Committee is as set out below.

Capital Schemes	Allocated Funding 2017/18 Budget	Authorised Funding 2017/18 (Business Case Approved)	Actual Expenditure to 31 Jul 2017	Year End Forecast	Year End Variance Underspend (-)
	£000	£000	£000	£000	£000
General Expenses	1,147	1,054	821	1,052	-95

The forecast for two of the schemes is in line with the budget with the schemes progressing. For the remaining schemes:

- Cattle Market Improvements to Access – This project is now complete with costs lower than budgeted for. The remaining budget within the capital programme of £10k can be removed when the capital programme is reviewed as part of the budget setting process later in the year;
- EMT Vehicle/Frontline Service Machine Replacement – the £15k within the 2017/18 capital programme is for the replacement of a ride on mower. However, the need to purchase a Ransom Parkway, which is a larger triple cylinder mower, instead of the ride on mower has been identified which is at a higher cost than the associated budget. It is therefore proposed that the budget in 2017/18 is moved into 2018/19 as part of the budget setting process later in the year to help fund this. It should be noted that this is a slight variation on the original project mandate. A full business case will be brought to back to the Committee at the appropriate time;
- Snow Hill Industrial Units Roofing Works – The roofing issues have been investigated and it has been determined that the frequency of the incidents of the problem is not sufficient to justify high cost remedial works. The budget can therefore be removed as part of the budget setting process later in the year. The issues will be monitored and a mandate will be brought back to Committee should any works be required. It should also be noted that the industrial units have reached the age where other capital works will soon be required. Project mandates will be brought to future Committees as these works fall due.
- Cattle Market Phase 1 – The project is now mainly complete with the final invoices received in August. Further works are required to the lower car park with an anticipated cost of up to £30k. Therefore there is the need to request that the overall programme is increased by up to an additional £15k. However, in terms of the overall scheme this will be funded from the additional contributions received from the Market Partners. As regards the overall funding from capital receipts, for the total project this will be slightly less than approved by Members at the beginning of the project. These works will be subject to planning permission and will enable the overspill car park at the North to be relocated to the southern section in order to free up the Northern section for consideration of disposal.
- Cattle Market Wash Down Area – Works are complete. The original budget was based on an estimate from the contractors for the main cattle market re-development project but a local contractor was able to undertake the works at a significantly reduced sum. It is therefore requested that the budget is reduced accordingly as part of the budget setting process later in the year. £3.8k of contributions towards the project have been received from Gillstream Markets and it is therefore requested that the financing is updated to take this into account thus reducing the contribution from capital receipts.

6.0 LEGAL IMPLICATIONS

- 6.1 Legal implications/powers were addressed in setting the current year's programme. There are no further legal implications arising from this report.

7.0 COMMUNITY SAFETY

- 7.1 Individual schemes could have links to community safety issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

8.0 EQUALITIES

- 8.1 Individual schemes could have links to equalities issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

9.0 RISKS

9.1 These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

10.0 CLIMATE CHANGE

10.1 Individual schemes could have links to climate change issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

11.0 CONSULTATION

11.1 Consultation takes place between project managers and the Financial Accountant to determine the information included in Appendix A. Reports are also prepared on a quarterly basis for the Programme Board.

12.0 WARDS AFFECTED

12.1 To varying degrees all wards are affected by capital schemes within this Committee

Contact Officer	Natasha Bailey
Date:	10 August 2017
Appendices:	Appendix A – Capital Programme Progress Report – Jul 2017
Background Papers:	Oracle Financial Reports Budget Holder Comments on Performance
Reference:	X: Ctte,Council & SubCttes/REEA/2017-18/30-8-17/DG-Capital Prog. Monitoring- Jul 2017