

NOT FOR PUBLICATION

This report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (applies to Appendices A and B)

Report to: **Executive**
Date: **23 July 2015**
Title: **Capital Programme Monitoring**
Portfolio Area: **Support Services**

Wards Affected: **ALL**

Relevant Scrutiny Committee: Overview and Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **Y**

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Recommendations:

It is recommended that:

1. The Executive notes the Report
2. The underspend of £45,151 of the Disabled Facilities Grant budget for 2014/15 is agreed to be carried forward and added to the 2015/16 Disabled Facilities Grant (DFG) budget of £600,000 (giving a total DFG budget of £645,151 for 2015/16).

1. Executive summary

The report advises Members of the progress on individual schemes within the approved capital programme, including an assessment of their financial position.

The anticipated level of expenditure is within the existing budget for the approved capital programme as a whole (Appendix A).

The demand for Disabled Facilities Grants (DFG's) continues to increase and it is requested that the underspend of £45,151 from the 2014/15 DFG's budget be carried forward, to help cover the rising demand and continue to support independent living for residents.

If this was approved, this would mean that the Disabled Facilities Grants budget for 2015/16 would be increased from £600,000 to £645,151. In 2014/15 the total spend on Disabled Facilities Grants was £654,849.

As yet there have been no calls on the Capital Programme contingency budget for 2015/16 of £300,000.

2. Background

The capital programme for 2015/16 was approved by Council on 12 February 2015 (66/14 and E57/14 refer). This report provides an update on the Capital Programme and also on those schemes that remain outstanding from previous programmes (Appendix A).

A summary of the programme is shown in exempt Appendix A. The award of contracts is subject to the Council's procurement rules on competitive tendering and therefore the allocated budget is commercially sensitive.

3. Outcomes/outputs

Members are requested to note the following updates on the Capital Projects:

Capital Programme 2014/2015 and prior years

Dartmouth & District Indoor Pool Trust (DDIPT) – Capital Grant £400,000

A report was presented to the Executive on 18th June 2015 detailing the latest position.

Island Street Workshop Re-cladding, Salcombe

The works to the Island Street units have now been completed on time and on budget. The 12 months defect period has now commenced.

Units at Burke Road/Wills Road, Totnes

The tender documents are currently being prepared for the new roofs on these units.

Capital Programme 2015/16

Leisure Centres

There is a separate item on this Executive agenda for the Leisure Service procurement which gives details of the latest position.

Redevelopment of five employment units, Burke Road, Totnes

An application for planning permission has been submitted for this project.

Development of eight employment units, Batson Trailer Park, Salcombe

Ground investigations have been carried out and architects have recently been commissioned.

Disabled Facilities Grants

The demand for Disabled Facilities Grants (DFG's) continues to increase and it is requested that the underspend of £45,151 from the 2014/15 DFG's budget be carried forward, to help cover the rising demand and continue to support independent living for residents.

If this was approved, this would mean that the Disabled Facilities Grants budget for 2015/16 would be increased from £600,000 to £645,151. In 2014/15 the total spend on Disabled Facilities Grants was £654,849.

The data on DFGs is currently being migrated into the new corporate software. The next capital monitoring report will provide further details on the number of DFG's approved in 2014/15, approval rates, costs and outcomes.

Waste Vehicle Fleet

Following a full procurement exercise, the vehicle fleet (13 vehicles) was ordered earlier in the year and the majority of vehicles (9 vehicles) have recently been received and are fully operational. The smaller fleet vehicles are due to be received in late July/early August. Overall vehicle costs had increased over the lifetime of the replacement programme which placed pressure upon the capital budget had a like for like solution been sought. Vehicle technology has improved in this period however, which allowed for the purchase of vehicles with a higher specification in terms of weight/volume capacity and vehicle telematics. These improvements allowed for the reduction of overall fleet numbers but provided enough capacity remaining to absorb future property growth in the lifetime of the vehicles. The outcome of the procurement therefore was an overall increase in individual unit price but a reduction in the numbers of vehicles needed.

Affordable Housing Update

The table below gives an update on the various affordable housing capital budgets and schemes.

Scheme	Budget	Narrative
Community Led Housing	£100,000	Community led housing initiative launched in April 2014. Currently in discussion with 3 organisations to provide financial support for community led schemes.
Rural Affordable Housing	£400,000	£327,577 spent or committed to rural schemes. Thurlestone (completed), Avondale (completed), Slapton (completed) Newton Ferrers, Moreleigh, Frogmore.
Older Persons Housing	£500,000	Allocated to Riverside Extra Care. Start on site scheduled for summer 2015. Completion spring 2017.
Existing Stock/Sustainability	£100,000	To reduce empty homes and make best use of the existing housing stock.
Homeless/Specialist Housing	£50,000	To enable the provision of specialist accommodation as required. Funding will be allocated as need arises.
Follaton Oak, Totnes	£80,000	Currently on site, completion summer 2016. £80,000 commitment.
Ivatt Road, Dartmouth	£60,000	Scheme completed. £60,000 spent.
Frogmore – Village Housing Initiative site	£25,000	Development commenced on this Village Housing Initiative site with Hastoe Housing Association. Completion summer 2016. £25,000 spent.

4. Strategic Asset Review - Update

An update on progress on sites is included in exempt Appendix B.

5. Options available and consideration of risk

This is considered on a project by project basis as part of the project appraisal document and initial business case for each capital project.

6. Proposed Way Forward

This is considered on a project by project basis.

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Statutory powers are provided by the S1 Localism Act 2011 general power of competence.</p> <p>The capital programme is implemented in line with the Council's legal requirements, which are examined on a project-by-project basis. To date there are no undue legal concerns.</p> <p>Since there is commercially sensitive information in the Appendices A and B regarding the budgets for individual projects, there are grounds for the publication of these appendices to be restricted, and considered in exempt session. The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in Appendices A and B. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p>
Financial		<p>The anticipated level of expenditure is within the existing budget for the approved capital programme as a whole (Appendix A).</p> <p>As yet there have been no calls on the contingency budget for 2015/16 of £300,000.</p>

Risk		<p>There is a risk that the Capital Programme does not meet the Council's corporate priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal. This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage. There is a contingency budget within the Capital Programme of £300,000.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		This matter is assessed as part of each specific project.
Safeguarding		This matter is assessed as part of each specific project.
Community Safety, Crime and Disorder		This matter is assessed as part of each specific project.
Health, Safety and Wellbeing		This matter is assessed as part of each specific project.
Other implications		This matter is assessed as part of each specific project.

Supporting Information

Appendices:

EXEMPT - Appendix A – Summary of the approved programme plus allocated budget

EXEMPT – Appendix B – Update on the Strategic Asset Review – Capital Disposal Programme

Background Papers:

Capital programme for 2015/16 - Council 12 February 2015

Capital programme for 2015/16 – Executive 29 January 2015 (66/14 and E57/14 refer).

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	Yes
Relevant Exec Director sign off (draft)	Yes
Data protection issues considered	Yes
If exempt information, public (part 1) report also drafted.	Yes