

NOT FOR PUBLICATION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: **15 October 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:

1. That the Executive notes the Report and
2. To recommend to Council that £153,000 of the capital programme contingency budget of £300,000 is approved to be allocated to the capital projects set out in Appendix A.
3. To recommend to Council that the capital budget for the purchase of a recycling depot is withdrawn from the Capital Programme as set out in Appendix A.

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 B).

Prior to this date there have been no calls on the capital programme contingency budget for 2015/16 of £300,000.

To recommend to Council that £153,000 of the capital programme contingency budget of £300,000 is approved to be allocated to the capital projects set out in Appendix A.

To recommend to Council that the capital budget for the purchase of a recycling depot is withdrawn from the Capital Programme as set out in Appendix A.

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 B).

A summary of the programme is shown in exempt Appendix B. 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

Café, Cliff House Gardens, Salcombe

Planning was granted in August for the conversion of the toilet block.

Units at Burke Road/Wills Road, Totnes

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

Waste Vehicle Fleet

Following a full procurement exercise, the waste vehicle fleet was ordered earlier in the year and the majority of the spend has now occurred.

Capital Programme 2015/16

Leisure Centres

The Leisure Service procurement process has now begun. Tenders have been invited from prospective partners to operate and maintain the Council's leisure centres and where appropriate design and build facilities.

A competitive dialogue tender will take place over the next 12 months involving negotiations with a number of bidders to help shape the end solution. The deadline for prequalification questionnaires and expressions of interest was 28th September and the shortlisting of bidders is well underway.

The successful provider will commence service delivery on 1st December 2016.

Redevelopment of five employment units, Burke Road, Totnes

Planning permission has been sought, an emergency evacuation statement is now awaited due to flood risk.

Development of eight employment units, Batson Trailer Park, Salcombe

Architects have been commissioned with a planning submission to follow later this year.

Disabled Facilities Grants

The demand for DFG's continues to increase. The total number of grants completed in 2014/15 was 133 compared to 97 in 12/13 and 106 in 13/14. The Council's role in funding and delivering DFG's was reported to Overview and Scrutiny on 17 September and is being further looked into by a Member led Task and Finish Group. The budget for 2015/16 now stands at £645,151 following approval to carry forward the underspend of £45,151 from the 2014/15 DFG's budget. It is predicted that the revised DFG budget will be fully spent during 15/16.

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) Moreleigh and Frogmore (on site) Newton Ferrers (on site 2016).

Older Persons Housing	£500,000	Allocated to Riverside Extra Care. Start on site scheduled for summer 2016. Completion spring 2018.
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.

It is recognised that there are a wide range of issues in a rapidly changing policy environment. The Council may wish to reassess the scope of the Affordable Housing Capital Programme in response to the forthcoming Housing Bill which is due in October. There will be an opportunity for the Council to refocus the capital programme and a further report will be brought back to Members when the national context is clearer.

4. 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.

5. Proposed Way Forward

This is considered on a project by project basis.

6. 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 Appendices A and B regarding the budgets for individual projects, there are grounds for the publication of this appendix 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 B).</p> <p>Prior to this date there have been no calls on the capital programme contingency budget for 2015/16 of £300,000. Capital projects totalling £153,000 are now requested to be funded from the capital programme contingency, leaving a balance of £147,000. Details of the capital projects are shown in Appendix A.</p> <p>It is also recommended to Council that the capital budget for the purchase of a recycling depot is withdrawn from the Capital Programme as set out in Appendix A.</p>

		The amount of budget allocated would return to the Capital Programme Earmarked Reserve and be available for funding future capital projects.
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.</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		

Supporting Information

Appendices:

EXEMPT – Appendix A – Details of capital project bids for contingency funding.

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

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