

**NOT FOR PUBLICATION**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 only)

AGENDA  
ITEM

**9**

**SOUTH HAMS DISTRICT COUNCIL**

AGENDA  
ITEM

**9**

<b>NAME OF COMMITTEE</b>	<b>EXECUTIVE</b>
<b>DATE</b>	<b>24 April 2014</b>
<b>REPORT TITLE</b>	<b>CAPITAL PROGRAMME MONITORING REPORT</b>
<b>REPORT OF</b>	<b>Head of Assets and Head of Finance and Audit</b>
<b>WARDS AFFECTED</b>	<b>ALL</b>

---

**Summary of report:**

To advise Members of the progress on individual schemes within the approved capital programme including an assessment of their financial position.

**Financial implications:**

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

**RECOMMENDATIONS:**

**That the Executive notes the report.**

**Officer contact:**

Kate Cassar, Head of Assets  
[Kate.cassar@swdevon.gov.uk](mailto:Kate.cassar@swdevon.gov.uk)

Michael Tithecott, Chief Accountant  
[Mike.tithecott@swdevon.gov.uk](mailto:Mike.tithecott@swdevon.gov.uk)

---

## 1. BACKGROUND

The capital programme for 2013/14 was approved by Council on 14 February 2013 (70/12 and E63/12 refer). This report provides an update on that programme and also on those schemes that remain outstanding from previous programmes (Appendix A). The update for the Strategic Asset Review is included within this report to provide an integrated approach to the monitoring of capital expenditure and asset disposals.

## 2. ISSUES FOR CONSIDERATION

### Introduction

- 2.1 A summary of the capital 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.  
A summary of the Capital Disposal Programme is shown in exempt Appendix B. Progress is shown against each relevant project.

### Project updates

- 2.2 Members are requested to note the following under the capital programme:

#### Ivybridge Leisure Centre - Improvements and Refurbishment

- Works substantially complete and snagging / defects correction due to complete by end of April.
- Final account agreement meeting held and anticipate final agreement by the end of April 03/04/2014

#### Dartmouth Lower Ferry - Replacement of slipways and fendering systems

- Project completed on 20<sup>th</sup> May, 2013
- Defects and snagging to be completed.
- Post contract negotiations are continuing to agree the final account

#### Dartmouth Lower Ferry – Replacement Ticket Machines

- New Ticket Machines operational from 2 April for cash and FerrySaver paper tickets
- The digital FerrySaver cards are programmed to start in June and online sales in October

#### Salcombe Fish Quay - Refurbishment

- Project completed August 2013
- Defects and snagging to be completed
- Final Accounts completed.

#### Quayside Leisure Centre - Customer lift refurbishment

- Project completed March 2014 and within budget.

#### Ermington Workshops - Replacement of fibre cement roofing

- Work due for completion by the end of April.

#### East Way Lee Mill – Replacement of fibre cement roofing

- Work due for completion by the end of April

#### Follaton House - New Door entry system

Project completed April 2014. As indicated in the last report to Executive there is an additional budget requirement of £25k which can be funded from the Contingency sum.

#### South Embankment Shelter Dartmouth

- Orders have been placed and the target delivery date is early June.

#### Affordable Housing

- Appendix C provides an update on the delivery of the approved schemes

#### Disabled Facilities Grants

- The Council continues to deliver its statutory function to facilitate and fund means-tested Disabled Facilities Grants (DFGs) to help people, of all ages, to remain living independently within their own homes. A range of procurement exercises and process changes have helped reduce the capital and revenue cost of delivering individual adaptations in the wake of increasing demand arising from a shift away from residential care. It is very difficult to predict demand for DFG's or their cost as an individual adaptation can range from £1,200 up to £30,000 for an extension.
- A total of 114 (South Hams) and 119 (West Devon) DFGs were approved during 2013/14. In addition, grants approved in 2012/13 were completed during this year. Of these adaptations the majority consisted of stair lifts (41 SH, 42 WD) and Level Access Showers (64 SH, 75 WD) with the rest comprising extensions, heating and relocation.

### **2.3 Strategic Asset Review – update**

The procurement of Development Consultants is underway to provide feasibility and pre-marketing advice to the Council on major disposal sites in the District. Progress on other sites is included in exempt Appendix B. Specific progress to note on minor sites:

- Trailer Park, Batson Creek, Salcombe - expressions of interest have been sought for the development of this site. Eight responses have been received to date and these are now being discussed to enable a comprehensive evaluation of the options prior to undertaking a detailed design and layout appraisal.
- RA4 Site, Gould Road, Salcombe – discussions are underway with the Planning Department to prepare a planning brief for this site and consultation with the local Member and Town Council have taken place. A dialogue has also been initiated with an interested party who is seeking to develop a master plan for the area, amalgamating the sites to enable a comprehensive mixed development.

- Extension to Mayors Avenue Car Park, Dartmouth – detailed plans have been prepared and consulted upon. Planning application to be submitted by 30/4/2014.
- Fore street Car Park, Kingsbridge – preliminary feasibility plans have been prepared illustrating various residential layouts. A financial appraisal is being prepared in advance of consultation with Members for preferred option to advance.
- Island Street, Salcombe – decision taken to retain and advance refurbishment of asset. Detailed proposals are currently being prepared.
- Millbay & East Portlemouth Toilet Blocks – discussions commenced with interested party to take over responsibility for future running costs.
- Long Marsh Car Park, Totnes – capital scheme completed. Car park is now capable of being used for boat storage during the winter months.

### **3. LEGAL IMPLICATIONS**

- 3.1 Statutory powers are provided by the Local Government Act 1972 Section 148(5) and Section 2 of the Local Government Act 2000.
- 3.2 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.
- 3.3 Since there is commercially sensitive information in the appendices 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 the Appendices. Accordingly this report contains exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.

### **4. FINANCIAL IMPLICATIONS**

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

### **5. RISK MANAGEMENT**

The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

## 6. OTHER CONSIDERATIONS

<b>Corporate priorities engaged:</b>	Sound financial management underpins all of the Council's corporate priorities.
<b>Statutory powers:</b>	Local Government Act 1972, s148(5)
<b>Considerations of equality and human rights:</b>	This matter is assessed as part of each specific project.
<b>Biodiversity considerations:</b>	This matter is assessed as part of each specific project
<b>Sustainability considerations:</b>	This matter is assessed as part of each specific project
<b>Crime and disorder implications:</b>	This matter is assessed as part of each specific project
<b>Background papers:</b>	<ol style="list-style-type: none"> <li>1. Report to and minute 82/09 of South Hams District Council on 04 February 2010</li> <li>2. Reports to and minute of Executive on 26 January 2012 (E.69/11, Cncl 74/11).</li> <li>3. Reports to and minutes of Executive on 31 May 2012 ((E.13/12, (E.14/12)</li> <li>4. Report to and minutes of Executive on 6 September 2012 ((E.34/12).</li> <li>5. Report to and minutes of Executive on 6 December 2012 (E.63/12)</li> <li>6. Report to and minutes of Executive on 6 June 2013 (E.05/13)</li> </ol>
<b>Appendices attached:</b>	<p>EXEMPT - Appendix A – Summary of the approved programme plus allocated budget.</p> <p>EXEMPT - Appendix B – Update on the Strategic Asset Review – Capital Disposal Programme</p> <p>EXEMPT - Appendix C – Update on the Affordable Housing Capital Programme</p>

## STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Council Priorities	Meeting existing Council priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities	4	2	8	↔	This requires a project appraisal for each proposal. This needs to be taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.	Head of Service
2	Providing value for money	The Council must demonstrate that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment.	4	2	8	↔	Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.	Head of Finance and Audit  Head of Assets
3	Cost overruns	Risk of cost overruns on the Capital Programme.	5	2	10	↔	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 (Appendix A).	Head of Finance and Audit  Head of Assets

Direction of travel symbols ↓ ↑ ↔