
CAPITAL PROGRAMME MONITORING REPORT – DECEMBER 2007

Responsible Cabinet Member - Councillor Stephen Harker,
Resource Management Portfolio

Responsible Director - Paul Wildsmith, Director of Corporate Services

Purpose of Report

1. This report presents an update of the Capital Programme including spending and resource levels.

Information and Analysis

2. The report confirms that the Authority requires capital receipts of £9.436M to fund capital expenditure commitments. Projected (anticipated and potential) corporate resources available to fund capital spend is £31.193M, leaving a projected £17.957M available for investment as reported in the Draft Medium Term Corporate Plan.

Information and Analysis

3. **Appendix 1** summarises the Council's capital commitments and resources position.
4. **Appendix 2** summarises departmental capital budgets, spend position of ongoing capital projects and projected under/over spends.
5. **Appendix 3** details the current position of all previous and current year capital projects that are currently ongoing.

Departmental Restructure

6. Following the departmental restructure of the Council the format of appendix 2 and 3 has been amended to remove the Development and Environment department and allocate each capital project within the appropriate remaining departments.

Capital Spend and Resources Monitoring

7. The following identifies unapproved movements in the Capital Programme since the approval of the Capital Medium Term Financial Plan (MTFP): -

(a) Children's Services

- (i) The majority of increased costs identified in Appendix 3 representing a mixture of small additional costs and additional works carried out within the existing

programme. The increased costs have been managed within Children's Services Contingency budget using existing capital resources.

- (ii) Additional expenditure of £0.095M has been added to the programme relating to provision of toilets at Mount Pleasant Primary School, the expenditure is to be funded through a Revenue contribution from the School to the Council.

(b) Housing

- (i) Following a review of the long term sustainability and continued suitability of sheltered schemes within the Borough, it was determined that basic programmes of internal planned maintenance were inappropriate and would not meet the long term aspirations or changing needs with time, of the increasingly elderly population. It was concluded from the review that sheltered schemes required more radical remodelling works to prolong the lifespan of the schemes, ensure they remained accessible and suitable to the widest possible client and provided a more energy efficient building to meet the requirements of clients, many of whom, are on low incomes.
- (ii) The annual Housing Capital investment programme was changed to reflect this, through deferring works, which generated a variance of £1.072M within the 2006/07 Housing programme based on the approved medium term financial plan. The £1.072M variance has been utilised in two ways which provides prudent financial management: -
 - a) To offset the additional capital expenditure relating to remodelling works reported in 2006-07, the total utilised will be £0.572M.
 - b) The remaining balance of £0.500M will be utilised to partially finance and reduce borrowing requirements for the remodelling works programmed for sheltered schemes in future years.

(c) Transport

- (i) A number of variations within the Transport Capital programme relating to the Local Transport Plan (LTP) have been identified that are due to new costings. The LTP is funded by supported borrowing/grant and under/over spends can be managed within the resources available.
- (ii) The projected increase in cost of the Eastern Transport Corridor remains at £1.9M, as reported to Cabinet in November 2007. The independent investigation into the reasons for the increase is ongoing. Officers currently expect to report the results of the investigation to Cabinet in May. An application has been submitted to the Department for Transport for additional funding, the outcome of which is awaited and will also be reported to Cabinet when available.
- (iii) Resources of £0.125M was approved by Cabinet on the 13th November 2007 to deliver upgrades to Chestnut Street car park. The expenditure will be funded through departmental unsupported borrowing

(d) *Community Services*

- (i) Spending on the Dolphin Centre Refurbishment has increased by £0.078M due to unforeseen remedial works that were required to modify fire stopping and mechanical and electrical installations, which were not within the original scope of works included in the contract but were however, deemed essential. No decision as yet has been taken to how the spend will be funded, at this time it has been assumed that corporate resources will be required.
- (ii) Spending on Firthmoor MUGA has increased by £0.002M due to additional grants being awarded from the Football Association to the scheme.
- (iii) Fishing Reserve – No significant changes to that reported to Cabinet on 11th November 2007.

(e) *Corporate Services*

- (i) Spending on Central House alteration to access and Telephone System has decreased by £0.030M and £0.031M respectively. Savings were realised on the Telephone System upgrades as this project was combined with the Customer Services requirement for Voicemail and was able to procure a combined system at a reduced cost. The two schemes are funded by corporate resources.
- (ii) Spending on the Honeypot Lane Caravan site has increased by £0.010M due to works relating to road resurfacing. It is recommended that Council resources will be approved to finance the additional expenditure.

Capital Programme Monitoring (Outputs)

8. The following identifies the progress of a number of major Capital Schemes: -

(a) *Children Services*

- (i) Since September, work has focussed on completing the large amount of capitalised repair work being undertaken at various schools across the borough. The schemes are all in line with the Capital Programme outlined in March 2007 and aim to improve the conditional and suitability of the education environment in school premises.
- (ii) Remodelling – The final phase of the reception classroom adaptation scheme has been undertaken at Reid Street Primary to enhance their foundation stage provision. The school's staff room area has also being significantly adapted. At Mount Pleasant the Key Stage 2 area has been remodelled. Dodmire Junior's has had its 1st floor staff accommodation area adapted to provide a larger staff room, an improved meeting area and a designated staff preparation room.
- (iii) Schools Access Initiative – this funding allows a diverse range of projects to be carried out within schools to make them more accessible to children with special educational needs. Works that have been completed this year include the formation of a specialised hygiene facility at High Coniscliffe Primary for a pupil who started in September, general adaptation works to Branksome.

- (iv) Mechanical and Electrical Works – A full rewire has been completed at Redhall Primary school and the Fire Alarms have been replaced at Reid Street Primary and Heathfield Primary. As a follow on to last years programme, Whinfield Primary has had ventilation systems installed to two more classrooms in an attempt to significantly improve the current teaching and learning environment. George Dent Nursery has had new boilers installed to improve the efficiency and reliability of its heating system.
- (v) Condition Works - Window replacement schemes have been completed at Mowden Infants, Abbey Infants and Juniors, Heathfield Primary, Hurworth Primary and Redhall Primary. These replacements are phased works and are programmed for full completion in 2009.
- (vi) Secondary School Works have been focussed on essential mechanical and electrical works at each of the 3 schools that have not received investment for new premises. Hurworth, Branksome and Longfield Schools have had fire-stopping works undertaken over the summer period. Hurworth and Branksome School have had some significant window replacement works undertaken. Branksome School has also had some areas of the building remodelled in line with suitability needs. It has also been necessary to undertake some Emergency work at Hurworth Secondary school to repair the main gas pipe in the school.
- (vii) The major capital schemes have progressed significantly over the last few months: -
 - a) The new Sports Hall for Abbey Infant and Junior Schools was completed at the end of December and is now fully operational for both schools with access also being developed for the community.
 - b) Work is well underway on the Hummersknott School refurbishment and remodelling project. Phase 1 work is progressing well and the school are due to occupy this accommodation in the summer of 2008.
 - c) Work is continuing at Carmel College with the main teaching area handed over at the end of December. The scheme is now in its final phase with completion expected for May 2008.
 - d) Work is progressing on the redevelopment and refurbishment work at the former Rise Carr Primary School to provide accommodation for Darlington's Pupil Referral Unit. This unit is due to be operational at the end of March 2008.
 - e) The North Road Primary school project has progressed to outline design stage following the appointment of Atkins Limited to undertake the Architectural design of the new facilities.
 - f) The scheme to provide a new building for Eastbourne Church of England Academy has also made significant progression with the appointment of Balfour Beatty as the preferred contractor.

(b) Housing Services

- (i) Environmental Works - Works commenced on site late November and are progressing steadily. Works are due for completion by end of May 2008.

- (ii) Internal Planned Maintenance (In House) work is progressing well and all programmed works are due to be complete by year end.
- (iii) Internal Planned Maintenance with partners - Work commenced in September 2007 and steadily progressing, programmed works are due to be completed by year end.
- (iv) Fencing works – Work progressing well however, some fencing works will unavoidably run into the early months of next financial year they are part of Haughton Phase 2 and Hundens Lane Front Metal Fencing.
- (v) Programmed Footpath works due to be completed by year end.
- (vi) Sheltered Schemes - Branksome Hall underway with showers completed in 8 flats with substantial progress in the Communal facility. Linden Court, Hurworth work has commenced on site, completion is due in July 2008.

(c) Transport

- (i) The following Traffic Management and Road Safety Schemes are currently being undertaken : -
- (ii) 20mph Zones – The traffic calming aspects of the 20mph zones have been completed at Coombe Drive and Oakwood and are in progress at Lascelles. Corporation Road traffic calming is scheduled for early March 2008 and Bank Top will follow in the next financial year. The 20mph signage will be implemented in due course.
- (iii) Cycling Demonstration Town - Design details of the new signs for the cycling route from West Park to the town centre have been completed and sent to the Department for Transport (DfT) for approval. Work has started on designing the signs for the next route from Morton Palms to the town centre. The signs need DfT approval, as they show travel time, rather than distance and are colour coded - both features helping cyclists find their way around Darlington.
- (iv) West Darlington and Durham Groundwork has been appointed to help the Council undertake community engagement and consultation on a number of cycling and pedestrian schemes. These include schemes on Grange Road, Mill Lane, Staindrop Road and Whinfield Road.
- (v) The following Highway Maintenance Schemes are currently being undertaken: -
 - a) C34a Lodge Lane – carriageway edge strengthening.
 - b) Ketton Avenue – footway refurbishment.
 - c) B6280/C182 – Yarm Road/McMullen Road roundabout – resurfacing.
 - d) Kielder Drive – footway refurbishment.
 - e) North Rise – verge hardening.
 - f) The Headlands – footway refurbishment.
 - g) A68 West Auckland Road Phase 2 – Bates Avenue to Brinkburn Avenue – carriageway and footway resurfacing.
 - h) A1150 Salters Lane North – Harrowgate Hill Club to 103 Kingsway – footway refurbishment.

9. Other Major Capital Programme Schemes

(a) *Haughton Road Footbridge*

Fabrication of the superstructure was started in November 2007, with work due to start on site in February 2008, it is anticipated that the completion of the footbridge is due to finish in June 2008.

(b) *Railway Centre and Museum*

- (i) Re-roofing - All the roofing work over both the Museum and the live railway have been completed.
- (ii) Main Building Works - Work has concentrated on various elements of the internal works in recent weeks. The kitchen/café area has been gutted and new walls/openings created in line with the layout of the new kitchen/kitchen storage/café and toilet provisions. Work has started to create the new activity room such as the floor has been leveled and pipework/wiring has commenced for the new heating and lighting. The painting of the main museum 'trainshed' areas has continued with the roof/roof trusses and sidewall. A new storeroom has been completed and the museum team are busy transferring items into this area in order that the Contractors can then access other rooms to work in.
- (iii) Design - The designers are currently preparing detailed design drawings for graphic panels, cases, interactives and exhibition structures. They are also editing the script and selecting images with a view to returning sections of the text to the Museum (for further input by the Museum) in stages over the next few weeks.

(c) *South Park Changing Room and Learning Disability Service*

In February 2007 Cabinet approved a new development at South Park that will comprise of a building that will be utilised by sports teams, Adult Services (for adults with learning difficulties) and the Youth Service.

(d) *Darlington Eastern Transport Corridor*

- (i) The A66 work is substantially complete with the final connections at Little Burdon expected to be made by the end of January. The footbridge will be delivered to site in mid-February and placed across the road during an overnight road closure in the last week of February.
- (ii) Kerbing of the new road is in progress on all sections of the main route and some surfacing has started.
- (iii) Work on the Haughton Road junction will start in the middle of February with considerable disruption to traffic likely throughout the work, which is expected to continue for three months. There will be one-way traffic systems in operation for most of this period affecting Haughton Road, Barton Street and Hundens Lane junctions.

- (iv) A programme of public information on the work is planned to begin in the immediate future.

Conclusions

10. The current projected outturn of the capital programme is £66.372M against an approved capital programme of £64.927M.
11. Available corporate resources for the period up to 31/3/2012 are estimated to be £17.957M.

Legal Implications

12. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

13. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

14. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

Decision Deadline

15. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

Recommendation

16. It is recommended that :-
- (a) The 2007/08 updated Capital Programme be noted.
 - (b) The virement of resources within the Children's Services programme be approved.
 - (c) The additional funding of £0.095M from Mount Pleasant Primary School be approved.
 - (d) The under spend of £0.572M relating to the 06-07 Housing capital programme and additional spending of £0.500M to Sheltered Housing Schemes be approved.
 - (e) The variance on spend on the Local Transport Plan be noted.
 - (f) The additional Spend of £0.078M relating to the Dolphin Centre Refurbishment be noted.
 - (g) The additional funding of £0.002M for the Firthmoor MUGA be approved.
 - (h) The under spend relating to Central House alteration to access and Telephone System of £0.061M be approved.
 - (i) Additional corporate resources of £0.010M relating to Honeypot Lane caravan site be approved.

Reasons

17. The recommendations are supported to allow Members to note the progress of the agreed Capital Programme and agree changes to the Capital Programme.

Paul Wildsmith
Director of Corporate Services

Background Papers

Capital Medium Term Financial Plan 2007/08 – 2010/11
Accounting Records

Richard Norris : Extension: 2323
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