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**CAPITAL PROGRAMME**  
**MONTHLY MONITORING REPORT – SEPTEMBER 2005**

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**Responsible Cabinet Member(s) - Councillor Don Bristow,**  
**Resource Management Portfolio**

**Responsible Director(s) - Paul Wildsmith, Director of Corporate Services**

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**Purpose of Report**

1. This reports presents an update of the Capital Programme and looks at spending and resource levels.

**Summary**

2. This report confirms that the 2005/06 Capital Programme totals £55.369m, which is a significant increase of £3.479m from the last update. The Authority requires capital receipts of £2.876m to be achieved during 2005/06. The 2005/06 asset disposal programme totals £3.419m therefore surplus capital receipts of c£0.543m are anticipated to be carried forward to future years. This carry forward will be required to fund future years capital programmes.

**Information and Analysis**

3. Since the last update the capital receipt requirement (**Appendix 1 line 13**) has increased to £3.376m, however expenditure of £0.500m has been identified which will be incurred in future years resulting in only £2.876m required to be received this financial year. An analysis of the movement in the forecast of capital resources is set out below.

Note Ref.	Capital Receipt requirement as 31st March 2006 as last reported	£m +3.315
(a)	Increase in Prior Years Commitments	+0.344
(b)	Increase in 2005/06 Capital Programme	+3.135
(c)	Increase in Capital Funding excluding Capital Receipts	<u>-3.418</u>
(d)	Total Capital Receipt Requirement	<u>+3.376</u>
(e)	Identified Slippage	<u>-0.500</u>
(f)	2005/06 Capital Receipt Requirement	<u>+2.876</u>

4. **Appendix 2** shows the schemes brought forward from 2004/05, the increase of £0.344m is as detailed below.

- (i) Following a detailed review of the Transport capital programme, a virement of £0.047m is required between current years schemes and previous year schemes.
- (ii) In relation to capital contributions, the contribution received to finance Transport related schemes at West Park (£0.200m), was previously classified as an Education capital contribution, as the majority of the schemes are related to the new Alderman Leach Primary School. This funding has now been reclassified as Transport contributions as the Highways Services Division will be overseeing the spend of this funding.
- (iii) In addition to the above a further Transport capital contribution of £0.024m has been received since the last update.
- (iv) In relation to the capital contributions relating to play areas, the amount available for the Authority to spend has reduced by £0.021m as this amount has been transferred to Middleton St George Parish Council to contribute towards the redevelopment of their football pitch.
- (v) The Maidendale Nature project is now financially complete. In total capital resources of £0.089m were secured for the project, however the project has been completed only utilising £0.078m, which is £0.011m less than reported on the previous update.
- (vi) In relation to the Morton Park development costs a further £0.051m is anticipated to be incurred, to bring the total anticipated outturn on the project to £0.400m This expenditure is required to be incurred in the first instance to enable the project to proceed and will be top sliced from any usable part of future capital receipts that accrue from future land sales at the site.
- (vii) In relation to the Commercial Street development a capital contribution of £0.350m is anticipated to be received imminently. This funding once received is non refundable, and will allow the Authority to incur further development costs. This position was reported to Cabinet on 27th September 2005.
- (viii) Other minor variances totalling £0.002m have also been reported since the last update.

5. **Appendix 3** details the 2005/06 capital programme. The increase of £3.135m is explained below:-

- (i) In relation to the Education capital programme £14.541m has been secured to redevelop Hummersknott Comprehensive school. The funding package consists of £11.633m of Targetted Capital Funding, which is supported borrowing, £0.172m from future years Devolved Formulae Capital and £2.736m Corporate Funding, which is available following the re-configuration of the Education premises. This funding will be phased over a

three year period from 2006/07 to 2008/09. In addition to this funding £9.115m has also been secured from Targeted Capital Funding for the redevelopment of Carmel Roman Catholic Technology College. However as this building is not owned by the Authority this funding will be forwarded direct to the Diocese. This position was reported to Cabinet on 1st November 2005, however as no expenditure will be incurred until 2006/07 this funding has not been included in this report and will be released as part of the Capital Medium Term Financial Plan in March 2006.

- (ii) A detailed review of the Housing capital programme has increased the programme marginally by £0.075m to £10.670m. This small increase in commitments can still be accommodated within overall Housing capital resources.
- (iii) As mentioned above a virement of £0.047m between previous year schemes and current year schemes is required in relation to the Transport capital programme.
- (iv) A capital grant of £1.500m has been secured since the last update in relation to Cycling for England. This funding is to allow capital improvements to the Authority's cycling infrastructure to occur over the next three years. This funding was released at Cabinet on 1st November 2005.
- (v) A capital grant of £0.035m has been secured from Sus-Trans as part of their Links to School Programme. This funding will be used to develop a cycle route from Mill Lane, via the Education Village and Whinfield Primary School to Beech Rise. It is a requirement of this grant that the scheme is financially complete by 31st March 2006. This funding will be matched funded from the cycling element within the LTP. Cabinet is requested to release this funding.
- (vi) In relation to the Central Park College Junction, £1.350m of capital grants has been secured from the Tees Valley Partnership to allow the Authority to project manage this element of the Central Park scheme. Any overspend relating to the scheme will be covered from the Tees Valley Partnership funding. This funding was released at Cabinet on 27th September 2005.
- (vii) In relation to the Railway Museum an additional £0.100m capital grant has been secured from the Railway Heritage Trust, this funding will be used to re-slate the existing train shed roofs. A requirement of the terms of this grant is that this money is expended by 31st March 2006. It is hoped that there will be further funding secured shortly for the redevelopment of the Railway Museum, which will complement this work, however given the tight time scales involved Cabinet is requested to release this funding to allow work to commence immediately.
- (viii) An additional Single Regeneration Budget, capital grant of £0.009m has also been secured to allow the Learning Intranet to be installed at various locations throughout the town. Cabinet is requested to release this funding.

- (ix) In relation to the Local Nature Reserve Project £0.007m, has been received from English Nature. This funding is required to be utilised by 31st March 2007 and is proposed to be spent on facilitating public access, improving disabled access, enjoyment and education at the Authority's Local Nature Reserves. It is anticipated that this funding will result in increased visitor numbers, greater visitor enjoyment at the Local Nature Reserves.
- (x) Additional land sale costs of £0.015m have also been reported since the last update. These costs are required to be incurred in order to allow the disposal of the various assets to proceed. This additional commitment is required to be funded from General Fund capital receipts. Cabinet is requested to release additional funding for this commitment.
- (xi) Other minor variances of £0.003m have also been reported since the last update.

## **Outputs**

6. In relation to the Children's Services capital programme, Longfield Comprehensive School window repairs and redecoration are also nearing completion. A major programme of rewiring and boiler replacements at various primary schools is also substantially complete. Work is still continuing on the construction of Skerne Park Primary, and the Educational Village. At Dodmire Junior Children's Centre, design works are complete and the tender process is underway. At Red Hall Primary, adaptations for the children centre have commenced and the work is anticipated to be completed by the end of the financial year.
7. In relation to the Housing Capital Programme as at 30th September 2005 flat remodelling, at both Dinsdale Crescent Phase 2 and Ramsgill House is now fully complete. In total internal planned maintenance has been completed at 199 properties during 2005/06 and heating replacements have been installed at 125 properties. Additionally £0.172m and £0.359m has been expended in relation to Disabled Facility Grants and Private Sector Renovation Grants respectively.
8. Regarding the Transport capital programme, work on various travel plans at Argos, Trinity Court, the Imperial Centre and Morton Palms are currently underway. In relation to the Northgate bus lanes, phase 1 & 2 including traffic signing and lining, works are nearing completion. The remaining works at Parkgate including upgrading and realignment of the Puffin Crossing, near to the Civic Theatre are now substantially complete. In relation to highways maintenance, carriageway resurfacing and footpath works at A167 Grange Road have been completed, and A68 West Auckland Road, to Spring Court South are still ongoing. Resurfacing and footpath works are also due to commence imminently at B6279 Houghton Road, McMullen Road to Devonshire Road, and at A167 Beaumont Hill/Harrowgate Village resurfacing works are currently underway. In relation to traffic management and road safety schemes, works for the final phase of the Newton Lane/Prior Street traffic calming 20 mph zone are fully complete and construction on the traffic calming schemes at Coombe Drive are now substantially complete. In relation to bridgeworking schemes the A167 Oxneyfield Bridge scheme is now complete and detailed design work is ongoing in relation to Little Stainton Bridge, Bishopton Bridge, Barmpton Bridge and Leadyard Bridge.

## **Conclusion**

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9. The Capital Programme totaling £55.369m is on target with movements reported above. Capital Receipts of £2.876m are required in 2005/06. Asset disposals have been identified to cover this and to support future years Capital Programmes.

### **Legal Implications**

10. 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.

### **Section 17 of the Crime and Disorder Act 1998**

11. 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.

### **Consultation**

12. No formal consultation has been undertaken regarding this report

### **Council Policy Framework**

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

### **Decision Deadline**

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

### **Recommendation**

15. It is recommended that:-
- (a) The 2005/06 updated Capital Programme is approved.
  - (b) Land Sale costs of £0.051m are released in relation to Morton Park.
  - (c) Sus-Trans Capital Grant of £0.035m is released.
  - (d) Railway Heritage Capital Grant of £0.100m is released.
  - (e) Single Regeneration Budget of £0.009m is released in relation to the Learning Intranet project.
  - (f) English Nature Capital Grant of £0.007m is released in relation to the Local Nature Reserve Project.
  - (g) Land Sale costs of £0.015m are released in relation to various disposals.

## **Reasons**

16. To allow Members to note the progress of the agreed Capital Programme and to allow the Morton Park, Education Village Cycle Route, Railway Museum development, Learning Intranet, Local Nature Reserves and various land sales, schemes to proceed.

**Paul Wildsmith**  
**Director of Corporate Services**

## **Background Papers**

Capital Medium Term Financial Plan 2004/05 – 2007/08  
Accounting Records

Brian Boggon: Extension 2305