
CAPITAL PROGRAMME MONITORING REPORT – SEPTEMBER 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 £9.379M to fund capital expenditure commitments. Projected corporate resources available to fund capital spend over the Medium Term Financial Plan (MTFP) is £16.199M, leaving a projected £6.820M available for investment which is an improved position compared to the original MTFP.

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.

Capital Spend and Resources Monitoring

6. The following identifies unapproved movements in the Capital Programme since the approval of the Capital 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 Funding was granted by the Department of Children, Schools and Families of £0.021M for work relating to travel Plans, this grant is paid by way of Devolved Formula Capital.

- (iii) Cockerton Primary School have taken £0.032M of Unsupported Departmental Prudential Borrowing for their new school to allow sprinklers to be included in the build.

(b) Housing

- (i) A small variance of £0.015M has been identified which relates to increased costs for Garage Improvements it is hoped that this will be managed within current resources.

(c) Transport

- (i) A small number of variations within the Transport Capital programme relating to the Local Transport Plan (LTP) have been identified that are due to new costings. However, these reduced costs may allow for further work to be carried out in other areas of the LTP as the LTP is funded by supported borrowing/grant and under/over spends can be managed within the resources available.
- (ii) Darlington Eastern Transport Corridor - The costs associated with the DETC have been comprehensively reviewed to give a better assessment of the likely range for the final out-turn cost. The review includes the costs that will be incurred after the road has been completed for payments to property owners under the Land Compensation Act. It is anticipated that the out-turn total cost, including the Compensation payments will be £1.900M above the total of approved funding. A detailed Cabinet Report is being prepared for submission to a future meeting.

(d) Community Services

- (i) Tenders for the work relating to the digital upgrade of CCTV Equipment and the CCTV Control Room have been received it is expected that these will increase the scheme by a further £0.007M. Additional Corporate Capital Resources are requested to fund these additional costs.
- (ii) Spending on the Arts Centre Refurbishment has increased by £0.050M due to increased works relating to additional fire protection and DDA requirements. Additional Corporate Capital Resources are requested to fund these additional costs.

(e) Development and Environment

- (i) Faverdale East Business Park - The project was completed in 2006 and was funded by Single Programme, European Regional Development Fund (ERDF) and Council Resources, however finalisation of the scheme is subject to external audit. This audit found that, because the Council was successful in selling land to Argos, more income was received by the Council than originally envisaged, and so technically grant conditions were not met, resulting in a claw back of grant. Officers argued unsuccessfully against this and as a result £0.305M of grant will have to be repaid. This is more than offset by the receipt from Argos. A detailed report will be presented to a future meeting.

- (ii) Surplus Schools Sites – An underspend has now been identified on the demolition of the Surplus Schools sites prior to sale. It is now expected that there will be £0.050M saving on this scheme. Tenders for demolition costs came in lower than expected and removal of asbestos costs were again lower than expected.
- (iii) Costs associated with phase 1 of the Fishing Reserve are £0.007M less than expected. This project is grant funded and Officers are pursuing the possibility of using the remainder of this funding for other works connected with the reserve.
- (iv) Spending on Hopetown relocation has increased by £0.002M due to additional removal and fitting out costs of the scheme. Additional Corporate Capital Resources are requested to fund these additional costs.
- (v) Spending on Crown Street Library has increased by a further £0.035M due to additional essential works including stone work replacement and external redecoration not previously budgeted this increased spend will be met by the Planned Maintenance budget.

(f) *Adult Services*

- (i) The Reconfiguration of Learning Disability Service scheme is to increase by the amount received from the sale of property formally used by Adult Services £0.087M. The ringfencing of this capital receipt was agreed in a Part III Cabinet report on 16th January 2007

Capital Programme Monitoring (Outputs)

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

(a) *Children Services*

- (i) A diverse range of capitalised repair works were undertaken and successfully completed during the 2007 school summer holiday period. These schemes were all in line with the Capital Programme outlined in March 2007, the general aim of the projects being to improve the overall condition and the suitability of the education environment in school premises.
- (ii) Remodelling – Completed projects include the final phase of the reception classroom adaptations at Reid Street Primary School, which has enhanced the foundation stage provision; the refurbishment of Key Stage 2 classrooms, the creation of a new resource base and the construction of a new pupil toilets extension at Mount Pleasant Primary School; and, adaptations to the original 1st floor staff accommodation at Dodmire Junior School, which has created 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. Projects undertaken and completed during summer holiday period include the formation of a specialised hygiene facility at High Coniscliffe Primary School for a pupil starting in September; general adaptation works at

Branksome Comprehensive School; and, the installation of automatically opening main entrance doors at Hurworth Comprehensive School.

- (iv) Mechanical and Electrical Works – Completed projects include phase 1 of general rewiring works at Redhall Primary School; the upgrade and enhancement of the fire alarm system at Reid Street Primary and Heathfield Primary schools. As a follow on to last years programme, Whinfield Primary had ventilation systems installed and the electrical lighting installations renewed and upgraded to two more classrooms, which has improved the teaching and learning environment within those areas. New boilers were installed at George Dent Nursery School, to improve the efficiency and reliability of the heating system.
- (v) Condition Works - Window replacement schemes were undertaken 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) Works in secondary schools continue to be focussed on essential mechanical and electrical works at each of the schools. In addition, extensive fire stopping works were undertaken and completed during the summer holiday period at Hurworth, Branksome and Longfield Comprehensive schools. Significant window replacement works were undertaken during the same period at Hurworth and Branksome Comprehensive schools and window repair works are scheduled to commence shortly at Longfield Comprehensive School. Following on from projects undertaken last year, further remodelling works were carried out at Branksome Comprehensive School, to redress suitability needs.
- (vii) In relation to some of the major schemes that are underway at the present time, the refurbishment and remodelling project at Hummersknott Comprehensive School is currently progressing well. It is understood that the school is extremely pleased with the way the contractor has approached the project, which has ensured that disruption has been kept to a minimum. Work is continuing at Carmel College and the scheme is now in its final phases with completion expected for January 2008. Contractors are currently progressing satisfactorily with the redevelopment and refurbishment work at the former Rise Carr Primary School, which is to provide accommodation for Darlington's Pupil Referral Unit and expected to become operational April 2008. The North Road Primary school project is still in the early stages of consultation and feasibility. Architectural practices that responded to the recent OJEU notice and expressed interest in undertaking the design of the new facilities were vetted and short-listed. Those considered to be the most suitable were subsequently interviewed, Atkins and Co. have now been appointed as lead consultant.

(b) Housing Services

- (i) Environmental Works - Consultation and Design works complete schemes to commence week commencing 5th November 2007.
- (ii) Internal Planned Maintenance (In House) Work is progressing well. Rise Carr 50% completed. Steadily working through Cockerton

- (iii) Internal Planned Maintenance with partners -Commenced in September 2007. Steady progress. Speed of work completed improving. £99K worth of work completed to date.
- (iv) Fencing works -Arnold Road is now complete along with Aldborough Walk. Haughton is still being negotiated with our partner Seymour.
- (v) Footpath works Aldborough Walk ,Tennyson Gardens ,Mowden Terrace all complete and work at Haughton is 20% complete.
- (vi) Sheltered Schemes - Refurbishment works on 30 flats at Branksome Hall being priced work is due to commence later in the financial year. At 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 : -
 - (a) Borough Road, East Mount Road & Hundens Lane Area Residents' Parking Schemes – The legal orders have been advertised for the Eastmount Road and Hundens Lane Schemes. Objections to the schemes have been reported to Cabinet in October. There is further advertising to be carried out in connection with the Borough Road scheme and if objections are received they will be reported to a future Cabinet meeting.
 - (b) Southend Avenue Residents' Parking Scheme - The responses have been analysed and a meeting arranged with Ward Councillors and the Portfolio holder to discuss the results and update the project plan.
 - (c) Neasham Road Area Residents' Parking Scheme - Surveys have been undertaken and the results analysed. A scheme has been designed and consultation is programmed.
 - (d) Urban 20 mph Zones – Schemes for five areas: Bank Top, Lascelles, Corporation Road, Red Hall and Oakwood Drive, have been developed and the legal orders advertised. All residents have been notified of the next stages in the process.
 - (e) A68 Local Safety Scheme - A feasibility study has been carried out to identify causation factors and potential engineering solutions. The proposals are now being developed for wider consultation with a view to implementing a scheme in this financial year.
 - (f) The Oval – Detailed discussion and planning is taking place with the developers to manage the impact on the highway network during the construction period.
 - (g) Firthmoor Traffic Calming – Phase 5 of this traffic calming scheme covering Estoril Road South, Firthmoor Crescent, Hewitson Road South, Ingleby Moor

Crescent, Lanethorpe Crescent and Marston Moor Road, is under construction.

- (h) Branksome Safer Route to School – Consultation has commenced on a scheme to improve the link from a footpath to a shared cycle/pedestrian link between Staindrop Road and Cockerton Green. The scheme involves widening the existing route and the provision of a new bridge.

ii) The following Highway Maintenance Schemes are currently being undertaken: -

- (a) Hundens Lane Phase 2 - footway refurbishment.
- (b) C40a Burtree Lane, Burtree to Whessoe Road - carriageway edge strengthening.
- (c) C40a Burtree Lane A1M Bridge - safety barrier renewal.

8. Other Major Capital Programme Schemes

(a) Haughton Road Footbridge

- i) Fabrication of the superstructure is to commence in September with work on site to commence in October.

(b) Railway Centre and Museum

- i) Re-roofing – Network Rail have now given permission for scaffolding to be erected to allow access to the train shed roof over the ‘live’ railway. Some scaffolding has now been erected and slating work on the ‘hip-ends’ of the roof have commenced. Work on the main (North) slope of the train shed roof is due to commence shortly. It is estimated that the works will be finished and the roofing contractors off site around the end of October.
- ii) Main Building Works - The revised design for the ‘emergency exit’ footbridge has been approved by the Conservation Officer who will also look at the proposed locations for the Museums internal and external CCTV cameras when this has received Listed Building Consent. Work has been progressing on the north platform at the east end of the Museum where the platform edging slabs have been replaced as well as a significant proportion of the platform paving slabs. The riser to the south platform has been rebuilt and the surface repaired. In recent weeks works has concentrated on the west end of the building, where plastering, rendering, electrical first fix, decorating and floor covering have been progressing. We expect to receive back from the Contractors the new storerooms and study centre areas in October. Following this, Museum staff will be moving items from the existing store rooms and study centre to these new areas. The Contractors will then complete and hand back to the Museum the remaining area in Phase I (the temporary exhibition room and the new reception/shop area).
- iii) Design - The Designers have now received the lists of objects and illustrations for each of the new display themes and are at present looking at the interpretation/linking of the whole storyline and how this can be made as attractive and interesting as possible - especially to children. The designer attended a meeting at the Museum recently to outline their ideas on this and also on interactive, graphics positions and display case requirements.

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

- i) 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) Work on the A66 between Little Burdon roundabout and the junction with the main works is progressing well. Surfacing of the new large roundabout is due to begin before the end of September and traffic management changes will take place throughout October to allow completion of the central island. There was one complete road closure overnight at the end of September to allow movement on an overhead power line but otherwise traffic will always have a lane available in both directions until completion at the end of November, when all traffic cones will be removed.
- ii) Strengthening of the Arnold Road underpass is in progress and the road is generally at formation level throughout its length. The Lingfield Beck culvert is nearing completion and two of the balancing ponds at Red Hall nature reserve are finished.

Conclusion

9. The current projected outturn of the capital programme is £66.535M against an approved capital programme of £64.653M.
10. General Fund Capital Receipts of £9.379M are required to fund capital commitments, this includes the repayment of grant for Faverdale ERDF Anticipated Corporate Resources available to fund Capital Spend over the MTFP is £16.199M, leaving a projected £6.820M available for investment.
11. The overall projected capital resource position is £2.130M better than the MTFP. The projected capital receipts are, however, still subject to completion of some major sales.

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 £0.021M from the Department of Children Schools and Families relating to Devolved Formula Capital be noted and released.
- (d) Prudential Borrowing taken By Cockerton Primary school of £0.032M be noted and released.
- (e) The variance of £0.015M identified in Housing for garage improvements be noted.
- (f) The variance on spend on the Local Transport Plan be noted.
- (g) The position on the Darlington Eastern Transport Corridor be noted awaiting a detailed report to Cabinet and Council.
- (h) The additional resources required for the CCTV schemes of £0.007M are approved.
- (i) The additional resources required for the Arts Centre scheme of £0.050M from Corporate Capital resources are approved.
- (j) The position relating to Faverdale ERDF Grant be noted awaiting a detailed report to Cabinet and Council.
- (k) The underspend relating to Surplus School Sites be approved and the unused Corporate Capital Resources of £0.050m be available to spend elsewhere.
- (l) The position relating to the Fishing reserve unused grant be noted.
- (m) Additional costs of £0.002M associated with Hopetown Office relocation to be funded from Corporate Capital Resources are approved.
- (n) The virement relating to Crown Street Library and Planned Maintenance of £0.035M be approved.
- (o) The additional cost and approved Corporate Capital Resource of £0.087M for the Reconfiguration of the Learning Disability Service be noted.

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

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