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**CAPITAL PROGRAMME**  
**MONTHLY MONITORING REPORT – JULY 2004**

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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 report presents an update of the Capital Programme and looks at spending and resource levels.

**Summary**

2. The total Capital Programme now stands at £39.297m. The Authority requires capital receipts of £1.605m to be received during 2004/05. The 2004/05 asset disposal programme totals £3.107m therefore surplus capital receipts of c£1.500m 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. **Appendix 1** summarises the capital resource position within the Authority. Lines 2-4 details the Capital Commitments, lines 5-13 details capital resources available to the Authority. The balancing resource for the Capital Programme is general fund capital receipts. The current requirement £3.605 is detailed at line 13. However expenditure of £2.000m is planned to be incurred in future years. Therefore only £1.605m needs to be generated during 2004/05.
4. An analysis of the movement in the forecast of capital resources is set out below.

Note Ref.	Capital Receipt requirement as 31st March 2005 as last reported	£m +2.884
(a)	Decrease in Prior Years Commitments	-1.886
(b)	Increase in 2004/05 Capital Programme	+0.256
(c)	Decrease in Capital Funding excluding Capital Receipts	<u>+2.351</u>
	Current Capital Receipt requirement	<u>+3.605</u>
	Less expected slippage	<u>-2.000</u>
	Capital Receipt requirement for 2004/05	<u>+1.605</u>

5. **Appendix 2** details schemes that have been approved in previous years. The total commitments have decreased by £1.886m as detailed below:
- (a) In relation to the Education Capital Programme, an additional £0.246m Sure Start Funding has been secured for the Mount Pleasant Project. Additionally £1.055m external funding has been secured in relation to the replacement of Skerne Park Primary School. This funding has been secured from the Learning and Skills Council £0.387m, Sure Start £0.334m, ERDF £0.198m and DfES Neighbourhood Nursery Initiative Capital £0.136m. A further £0.007m has been vired between previous year Education Capital schemes and current year schemes.
  - (b) In relation to the Darlington Eastern Transport Corridor £4.193m was provisionally allocated to the scheme for 2004/05. The Department for Transport will only release this funding once all the statutory procedures have been completed. However due to protracted land negotiations it is unlikely that the statutory procedures will be completed within the required timescale to allow any of this expenditure to be incurred this financial year. Also in relation to the Transport Capital Programme £0.047m has been vired from previous year schemes to current year schemes following a detailed financial review.
  - (c) In relation to the South Park Restoration scheme, tenders have been received which are higher than originally anticipated. Therefore an additional £0.293m has been approved from the Authority's own resources to enable the scheme to proceed.
  - (d) In relation to CCTV – Parks Cemeteries and Play Areas the anticipated outturn has increased to £0.142m, which is an increase of £0.012m from the last update. This is now £0.024m above the original budget, which is more than the 10% tolerance limit, and as a result members are requested to approve additional resources to this scheme. The overspend is due to several changes of site for both North Cemetery and South Park, which necessitated re-drawing the site plans, re-measuring and re-liasing with contractors, all of which added to the professional fees and ultimately the total cost. The poles at the North Cemetery were changed at the request of the client and the poles at South Park were also changed due to English Heritage requirements.
  - (e) Additional resources of £0.312m have been secured from the ODPM to enable further improvements to the Honeyport Lane Caravan Site. This additional funding will supplement the work to improve the amenity blocks and the transit site.
  - (f) In relation to the Faverdale East Industrial Estate scheme, an additional £0.100m is required to strengthen the entrance road, to the standard required by Argos. It is anticipated that should the sale proceed to Argos, this additional expenditure will be off set by an increase in the capital receipt. Additionally as a result of archaeological remains being discovered on the site, an additional £0.400m has been allocated to allow a team of 30 field workers to excavate and record the site to meet the timescale requirements to allow the land sale still to proceed.
  - (g) In relation to Single Programme funding, the amount of funding has now been confirmed for this financial year, this has resulted in a reduction of £0.031m and £0.051m in relation to Faverdale and the Town Centre development respectively.

- (h) Other minor variances of £0.011m have also been notified since the last update.
6. **Appendix 3** details 2004/05 Capital programme. The increase of £0.256m is explained below:-
- (a) In relation to Education an additional £0.016m has been secured for Special Educational Needs and £0.028m from the DfES, of which £0.019m relates to the development of playgroups and £0.009m for Out of School Capital Projects. These schemes were approved in principal by Cabinet on 7th October 2004, however the funding was not formally released. Members are therefore requested to formally release the £0.028m Special Educational Needs Capital funding. As mentioned above an additional virement of £0.007m has been reported since the last update.
  - (b) In relation to the Housing Capital requirement the programme has increased by £0.094m from the original budget, this is due to variations on a number of schemes. This has the effect of increasing the Housing Capital Receipt target to £1.757m, which is anticipated to be accommodated this financial year.
  - (c) In relation to the Transport Capital Programme, as detailed above £0.047m has been vired from previous years schemes to current year schemes.
  - (d) In relation to Mental Health, additional resources of £0.078m have been secured from the Department of Health, this funding will allow the Mental Health IT systems to be updated.
7. Movements in Capital funding excluding Capital Receipts are detailed above.

## **Outputs**

8. In relation to the Education Capital Programme work is substantially complete on the erection of new music classrooms at Longfield Comprehensive and the erection of the new drama and music suite at Hurworth Comprehensive, both are due to be operational by the beginning of the new school year. Work is continuing at Hurworth Comprehensive, on the construction of a new mathematics resources room and administration extension. At both Reid Street and North Road Primary Schools asbestos removal work has been completed and fire stopping works are due to be completed imminently. A major window replacement programme is also nearing completion at Bishopton and Redmarshall Primary School. At Eastbourne Comprehensive the boiler replacement programme is now complete. At High Coniscliffe Primary the replacement of pipework is nearing completion. In relation to Gurney Pease Primary, fire alarm work and water main work are now both completed, with fire stopping work to be undertaken during the October school holidays. Work is also continuing on the construction of the new Alderman leach Primary School and the Education Village. Regarding the replacement of Skerne Park Primary, currently the design stage of the project is nearing completion. Additionally minor access works are almost complete at Hummersknott Comprehensive.
9. In relation to the Housing Capital Programme, as at 31st July 2004, 31 properties have benefited from internal planned maintenance at Tennyson Gardens and Shakespeare Road. In relation to heating replacement 39 units have been complete at Globe Close, 13 at Model Place and 61 at Hargreave Terrace. Regarding Extra Care Work at Oban Court 35% of the

work is now complete and in relation to the flat remodeling 40% of the work has now been completed at Dinsdale Crescent.

10. In relation to the Transport Capital Programme a programme of highway maintenance works is being implemented with footpath and/or carriageway schemes at Victoria Road, Geneva Road, Fenby Avenue, Grange Road, Ridgeway and The Chase, Hurworth. Work is on schedule for the imminent completion of bridgeworks at Bates Avenue and White House Bridge, Middleton One Row. Traffic management and road safety schemes are being progressed with works being completed at Edinburgh Drive and a new Toucan Crossing on West Auckland Road, a new Puffin Crossing at Victoria Road is under construction and the Whinbush Way Puffin Crossing scheme is about to commence on site. Consultation is ongoing for traffic calming schemes at Fitzwilliam Drive, Egglestone View, Firthmoor Phase 2 and Middleton St George.

### **Conclusion**

11. The Capital Programme totaling £39.297m is on target with any significant variances reported above. Capital Receipts of £3.605m are required with an estimated requirement of £1.605m in 2004/05. Asset disposals have been identified to cover this and to support future years Capital Programmes.

### **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.

### **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.

### **Consultation**

14. No formal consultation has been undertaken regarding this report.

### **Council Policy Framework**

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

### **Decision Deadline**

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

## **Recommendation**

17. It is recommended that Cabinet:-

- (a) Note the progress of the 2004/05 Capital Programme.
- (b) Approve additional resources of £0.024m in relation to CCTV – Parks, Cemeteries and Play Areas.
- (c) Formally release £0.028m DfES Special Educational Needs Capital Funding.

## **Reasons**

18. The recommendations are supported to allow :-

- (a) Members to note the progress of the agreed Capital Programme.
- (b) The CCTV – Parks, Cemeteries and Play Areas scheme and Educational Special Needs Capital 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