

CABINET
8 JULY 2025

PROJECT POSITION STATEMENT & CAPITAL PROGRAMME MONITORING
OUTTURN 2024/25

Responsible Cabinet Member -
Councillor Mandy Porter, Resources Portfolio

Responsible Director -
Dave Winstanley, Executive Director of Environment, Highways & Community Services
Elizabeth Davison, Executive Director of Resources & Governance

SUMMARY REPORT

Purpose of the Report

1. This report provides:
 - (a) Information on delivery of the Council's Capital Programme, the financial outturn position as at 31 March 2025 and the proposed financing of the 2024/25 capital expenditure.
 - (b) An update on the current status of all construction projects currently being undertaken by the Council.
2. It also seeks approval for a number of changes to the programme.

Summary

3. Significant enhancements have been made to the Council's assets in three major programme areas of schools, housing and transport, mostly using external funding, as well as several other largescale schemes in the Borough. These investments are delivering a wide range of improvements to the Council's assets and more critically, to Council services. Refurbishment of council homes, improved learning environments in schools, better traffic flows and opportunities for sustainable travel have been achieved and are detailed within the report.
4. Capital expenditure in 2024/25 totalled £51.712m. Since the last revision of the Capital Medium Term Financial plan further refinements to estimates have occurred as part of the ongoing management of the programme and these are included in the recommendations below, all revisions can be contained within existing programmes.
5. The Council has a substantial annual construction programme of work. The current project position statement (PPS) shows there are 22 live projects currently being managed by the

Council with an overall project outturn value of £132.748m. The majority of projects are running to time, cost and quality expectations with no foreseeable issues.

6. The projects are managed either by the Council's in-house management team, a Framework Partner or by consultants sourced via an open/OJEU tender process.

Recommendations

7. It is recommended that Cabinet:
 - (a) Note the delivery and financial outturn of the 2024/25 Capital Programme.
 - (b) Note projected capital expenditure and resources.
 - (c) Approve the adjustments to resources as detailed in paragraph 25.

Reasons

8. The recommendations are supported by the following reasons:
 - (a) The recommendations are supported to enable Members to note the progress of the 2024/25 Capital Programme and to allow the capital spend to be fully financed.
 - (b) To inform Cabinet of the current status of construction projects.
 - (c) To maintain effective management of resources.

Dave Winstanley
Executive Director of Environment, Highways & Community Services

Elizabeth Davison
Executive Director of Resources & Governance

Background Papers

- (i) Capital Medium Term Financial Plan 2024/25 – 2027/28
- (ii) Project Position Statement March 2025

Brian Robson : Extension 6608
Steve Wake : Extension 5424

Council Plan	The Capital Programme referred to in the report supports delivery of the Council plan.
Addressing inequalities	There are no specific implications for Addressing Inequalities.
Tackling Climate Change	Tackling Climate Change issues are assessed and reported in individual projects.
Efficient and effective use of resources	The recommendations support the effective and efficient use of resources.
Health and Wellbeing	There are no issues relating to Health and Wellbeing which the report needs to address.
S17 Crime and Disorder	This report has no implications for crime and disorder.
Wards Affected	All wards are affected.
Groups Affected	The proposals do not affect any particular groups within the community.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	The report does not represent a key decision.
Urgent Decision	For the purpose of the 'call-in' procedure this does not represent an urgent matter.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

2024/25 Capital Spend and Resources

Information and Analysis

9. **Appendix 1** is for information and lists all live construction projects and provides details on numbers, type and details of the key individuals responsible for the delivery of the projects. It also provides a statement on the current status position on each project, details of actions being taken, where required and any current issues.
10. The Capital outturn for 2024/25 totalled £51.712m compared to £60.084m in 2023/24. **Appendix 2** analyses the 2024/25 capital spend by department, the proposed financing of the overall approved programme and corporate resources to be carried forward into

2025/26. The total of resources already approved to finance the outstanding capital programme including part finished projects is £164.730m therefore £113.018m will be carried forward into 2025/26 to fund completion. The spend summary shows the amount available to be utilised in future years to help finance the capital programme.

11. **Appendix 3** summarises the total approved departmental capital budgets of £347.294m, along with spend to date of £234.277m and the projected outturn position which is lower than budget at £347.143m.
12. The proposed financing of the 2024/25 expenditure is:

	2024/25
Capital Expenditure	£M
Financing of Capital Expenditure	51.712
<i>Corporate resources</i>	
Corporate Unsupported Capital Expenditure (Borrowing)	8.410
Capital Receipts	3.145
<i>Externally funded</i>	
Capital Grants	12.177
Capital Contributions	0.437
<i>Departmental and Other Resources</i>	
HRA - Capital Receipts	2.663
HRA - Revenue Contribution	13.455
HRA - Borrowing	3.957
Departmental - Unsupported Borrowing	6.066
Departmental – Revenue Contribution	1.402
Total Capital Financing	51.712

Project Position Statement

13. Project management procedures require the production by project managers of a Project Position Statement (PPS) for all projects over £75,000. This report brings together the pertinent data from the current PPS with financial information from the Financial Management System (FMS) and approvals by Cabinet.
14. The Project Position Statement (Appendix 1) details the current live construction projects, up to the end of March 2025, by delivery area, and provides details on numbers, type and details of the key individuals responsible for the delivery of the projects. It also provides a statement on the current status position on each project, details of actions being taken, where required and any current issues. The statement excludes any completed projects or those on hold.

15. The overview of live construction projects is as follows:

	Projects	Current Approved Budget £ / p	Projected Outturn £ / p	Variance %	Variance (Value) £ / p
Environment, Highways & Community Services	12	78,308,769	79,076,426	1.0	767,657
Resources & Governance	4	38,601,739	37,807,833	(2.1)	(793,906)
Economy & Public Protection	6	15,813,360	15,863,360	0.3	50,000
TOTAL	22	132,723,868	132,747,619		23,751

16. The table shown above includes a column for current approved budget. In certain cases this budget figure may be different from the original approved budget. This could be as a result of variances identified during construction or other variables not known at the initiation stage. The original budget and all subsequent changes have been reported to and approved by Cabinet.

17. The live projects are at the following stages:

Department	Brief	CP1	CP2	CP3	CP4	CP5	Total
Environment, Highways & Community Services	0	0	1	4	2	5	12
Resources & Governance	0	0	1	3	0	0	4
Economy & Public Protection	0	0	1	5	0	0	6
TOTAL	0	0	3	12	2	5	22

18. **Control Point 1 (CP1) – Start Up:** is used to define the position of a project at its conception stage.

- (a) **Control Point 2 (CP2) – Initiate:** defines a project at feasibility stage and will likely include a desktop assessment of a project and the use of informed estimates.
- (b) **Control Point 3 (CP3) – Define:** the point that the project is progressed to RIBA Stage F, i.e. detailed design.
- (c) **Control Point 4 (CP4) – Construction Phase:** is the stage at which work begins on the project, i.e. for a construction project on site through to build completion.
- (d) **Control Point 5 (CP5) – Evaluate:** is the stage post completion of the project at which time the project is reviewed and lessons learned are discussed in order that they can be taken to the next or similar projects.

19. The status on live projects is as follows:

Department	Red	Blue	Green
Environment, Highways & Community Services	2	10	0
Resources & Governance	0	2	2
Economy & Public Protection	0	6	0
TOTAL	2	18	2

- (a) Star and triangle symbols are used to identify projects that have variances which are:
- (i) More than £5,000, if the variance is also more than 5% of the approved budget for the project, or
 - (ii) More than £50,000 regardless of the percentage variance
- (b) Projects that are within these margins are symbolised with circles.
- (c) In addition to cost, the same symbols are used to indicate similar levels of variances in time and quality/outputs/outcomes.

20. Current projects with the red triangle symbol are as follows:

Project	Reason for Variance	Action
Skinnergate Re-development Housing	A number of delays have occurred on this project including the need to produce a revised design to satisfy concerns raised by English Heritage at the planning application stage and the requirements for Nutrient Neutrality.	Phase 1 demolition is now underway.
Hopetown Darlington	<p>Over the past twelve months, a range of outcomes regarding financial outturn have been presented, primarily due to remaining construction risks and disputes. These outcomes were expressed as a range, from a £605k under budget position to a £363k over budget position.</p> <p>With the project now substantially complete and final accounts submitted there is more clarity on the risk and additional costs.</p> <p>At the conclusion of the financial year 24/25, the project is presently</p>	We are seeking legal advice on the areas of dispute.

	<p>£569k over budget after the final account had been submitted. However, this figure includes several items subject to dispute.</p> <p>Should the Council be successful in claims against the relevant parties, then project's budget deficit will be reduced to £124k. Conversely, if all aspects prove unsuccessful, the upper limit of the forecast projection will result in a budget deficit of £792,000. We will continue to report the high-end number in the PPS which represents an overspend of 2%.</p>	
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Reconciliation of Project Position Statement to Capital Programme

21. The table shown below reconciles the differences between the Capital Programme (CP) and the Project Position Statement (PPS). Differences occur because the Project Position Statement includes all construction projects over £75,000 in value funded from Capital and Revenue sources. Spending within the Capital Programme is not always of a construction nature, can be of any value and excludes Revenue funded schemes.

	Value £m
Live Projects from Project Position	132.748
Schemes closed or on hold within CP but awaiting PPS post project review.	13.411
Annualised Schemes excluded from PPS - Housing Repairs & Maintenance	31.546
Annualised Schemes excluded from PPS - Highways Maintenance	11.827
Annualised Schemes excluded from PPS - Childrens Services School Maintenance	0.336
Non construction excluded from PPS	14.173
Capital Investment fund excluded from PPS	72.653
Projects under 75k excluded from PPS	1.957
Capital Schemes not yet integrated into PPS reporting	46.222
Included in PPS & CMR	0
Funding not yet allocated	22.270
Capital Programme	347.143

22. The table below shows the split of the approved capital programme of £347.294m, between the different service areas and also the various categories of spend. When compared to the table above it shows that there is a projected £0.151m underspend on the approved capital programme, however, it should be noted that most of this amount is made up of grant funding or borrowing.

	Construction				Non construction	Capital investment fund	Housing New Build - not yet allocated	Total
	Live Schemes 75k & Over	Annualised Schemes	Completed Schemes awaiting review	Live Schemes under 75k				
Area	£m	£m	£m	£m	£m	£m	£m	£m
Housing	43.667	31.450	0.000	0.033	1.819	0.000	17.294	94.263
Economic Growth	49.579	0.080	0.440	0.240	7.738	61.279	3.476	122.832
Highways/Transport	60.975	11.727	9.799	1.118	2.193	7.325	1.512	94.649
Leisure & Culture	22.025	0.125	2.545	0.310	0.000	3.974	0.000	28.979
Education	2.867	0.336	0.000	0.164	0.079	1.124	0.000	4.570
Adult Social Care	0.000	0.000	0.000	0.000	0.071	0.000	0.000	0.071
Other	0.000	0.000	0.000	0.000	1.930	0.000	0.000	1.930
Total	179.113	43.718	12.784	1.865	13.830	73.702	22.282	347.294

Capital Programme

23. The following major areas of work have been undertaken in 2024/25:

(a) Children, Families and Learning

- (i) £184,334 of Childcare Expansion Capital Grants were issued to six settings to help increase the number of childcare places.

(b) Housing

- (i) Adaptations – Various minor adaptations were carried out to 157 properties across various areas.
- (ii) Heating Replacement - The upgrade of heating systems including 'A' rated Combi boilers, and air source heat pumps radiators and heating controls and the progressing of Electric to gas central heating replacement programme including the installation of new gas services and pipelines. Work was carried out to 193 properties.
- (iii) Structural Repairs – Ongoing structural monitoring continues and as a result, the balustrades were replaced to 3 blocks of flats in Whitby way along with the replacement of 12 balustrades to flats in the Bank Top area. We also commissioned a comprehensive structural survey of the walls on the North Road estate.
- (iv) Repairs before Painting – 232 properties had joinery repair works carried out as part of the cyclical external painting programme, which included 1098 properties (522 Houses, 318 flats, 3 schemes) in North Road, Firthmoor, Eastbourne and Northgate areas).
- (v) Roofing – Responsive replacements were carried out to 3 properties and flat roof replacement to 3 blocks of flats within various areas of Darlington, we also replaced the flat roofs to Dalkeith House. Planned Roofing replacement works, we carried out the replacement of roofs along with

repointing works to 201 properties in the Haughton area during the year 2024/25

- (vi) Garages – No planned works carried out 24/25 due to delays, this work will be carried out in 25/26 to allow demolition of blocks to be completed.
- (vii) External Works –
 - (1) Various properties across the Borough have had fencing replacements works completed.
 - (2) 262 properties were identified by responsive inspections and required some fencing replacing.
- (viii) Pavement Crossings – 3 properties had pavement crossings installed in their properties across the borough.
- (ix) Replacement Door Programme – 94 properties were identified by responsive inspections and required replacement doors. 240 fire doors were replaced to meet new fire regulation.
- (x) Communal Works & Door Entry Systems –
 - (1) Branksome lodge – full renewal to new system and upgrade including connection to the cloud.
 - (2) Branksome gate replaced with new bi-fold gate, the old sliding gate removed, with link to the cloud for access for this and the pedestrian gate.
 - (3) 7 sites have had new automation installed where old ones have been identified as intermittently faulty.
 - (4) 4 sites have had new door entry upgrades.
- (xi) Internal planned maintenance – 222 properties have been completed this year due to Labour constraints within Building Services.
- (xii) Windows – We completed a programme to upgrade 172 properties to Double Glazing.
- (xiii) Energy Efficiency works - Enabling work begun under the Social Housing Decarbonisation Funding Wave 2.1 (SHDFw2.1) stream. This will enable us to complete energy improvement works to 125 properties, which includes External Wall Insulation. We have also installed solar PV panels to 12 properties across the borough through additional grant funded projects.

(c) Transport

- (i) Darlington Borough Council continues to deliver capital schemes as part of the action plans associated with the Darlington Transport Plan, Town Centre Transport Plan and Parking Strategy (2022 – 2030). The objectives of the Darlington Transport Plan, are to:

- (1) Reduce transport's impact on the environment and support health and wellbeing.
- (2) Improve safety for all road users.
- (3) Connect people with job and training opportunities and link communities.
- (4) Support a revitalised and transformed Darlington town centre and.
- (5) Maintain and effectively manage a resilient transport system.

- (ii) Capital investment funding to progress and deliver DBC transport related improvement schemes are funded through the City Regional Sustainable Transport Settlements (CRSTS), which consolidates funding from previous allocations of the Highways Maintenance Block, Pothole Fund, and Integrated Transport Block. CRSTS funding spent on delivering a programme of maintenance schemes and transport improvement schemes, including:

- (1) Borough-wide patching and resurfacing schemes.
- (2) Resurfacing of A68 West Auckland Road (phase 1).
- (3) Resurfacing of B6280 Yarm Road (Hundens Lane Junction).
- (4) Resurfacing of Barmpton Lane.
- (5) Design of various safe routes to school schemes and the delivery of a scheme at Croft Road, Hurworth.
- (6) Implementation of dropped and raised kerbs to improve access for all.
- (7) Design and delivery of various road safety schemes throughout the borough including village gateways, speed indicator signs and a junction warning sign at Coatham Mundeville.
- (8) Maintenance and inspections of structures (bridges, retaining walls & culverts) throughout the borough.

24. Paragraph 25 shows the movements in the Capital Programme since the approval of the 2024/25 Capital MTFP, some of which have not yet been approved by Members.

25. Adjustment to resources requested by departments:

Virements

Department	Scheme	Value £	Reason for adjustment	Impact on budget
Economy & Public Protection	Towns Fund - Skinnergate & Yards Project (phase 2)	£150,000	Virement of Towns Funds	None
Economy & Public Protection	Towns Fund - Victoria Road	(£150,000)	Virement of Towns Funds	None
TOTAL		£0		

Adjustments to note which have been prior released

Department	Scheme	Value £	Reason for adjustment	Resource type adjusted
Economy & Public Protection	Towns Fund - 156 Northgate	£800,000	Prior release of Towns Fund	Towns Fund
Economy & Public Protection	Former Wilko Site	£1,523,500	Prior release of Economic Growth Investment Fund (EGIF) funding for purchase of site	EGIF
Environment, Highways & Community Services	Railway Heritage Quarter	£52,000	Additional Historic England Funding on top of initial award of £200k	Historic England
Environment, Highways & Community Services	EV Charging Scheme Allington Way and Lingfield Way	£850,000	Prior release of departmental borrowing	Departmental Borrowing
Environment, Highways & Community Services	Restoration Works to the Replica Locomotive No.1	£150,000	Release of Indigenous Growth Fund (IGF) funding	IGF
Environment, Highways & Community Services	Markets Phase 3	£885,328	Release of IGF funding	IGF
People	Darlington College 14-16 Alternative Provision Centre	£2,600,000	Release of Higher Needs Capital Funding	Higher Needs Capital
People	Abbey School Modular Classroom Structure	£87,000	S106 - 15/00513 - 17/00398 Esh Salutation Rd LTD Education	S106

People	Abbey School Modular Classroom Structure	£180,245	S106 17/00818 Story Homes Land at Carmel Rd South Education	S106
TOTAL		£7,128,073		

Adjustments needing approval release

Department	Scheme	Value £	Reason for adjustment	Resource type adjusted
Economy & Public Protection	Towns Fund - Edward Pease House 142 Northgate	(£8,000)	Adjustment to future Towns Fund Projects, in line with projected outturn for this scheme	Towns Fund
Economy & Public Protection	Towns Fund - Skinnergate & Yards Project (phase 2)	(£580,000)	Adjustment to future Towns Fund Projects, in line with projected outturn for this scheme	Towns Fund
People	Disabled Facilities Grant	£159,595	Increase in DFG funding for 2024/25 from Central Government	Disabled Facilities Grant (DFG)
Environment, Highways & Community Services	Installation of On Street Parking Machines	£287,000	Revenue Contribution (RCCO) 22/23 Contribution from Parking Processing and Appeals to support car parking infrastructure.	RCCO
Environment, Highways & Community Services	Oak Tree Pub MSG - Walking & Cycling	£11,167	S106 - Oak Tree Pub MSG - Walking & Cycling - (26) 1501256FUL	S106
Environment, Highways & Community Services	Lingfield Point	£2,000	S106 - Lingfield Point - Highways - (4) 0800638OUT	S106
Environment, Highways & Community Services	Railway Heritage Quarter	£46,550	RCCO 23/24 Contribution from the Single Programme	RCCO
Environment, Highways & Community Services	Roundhill Road	£36,913	Hurworth Gdns 16/00886/OUT Sustainable Transport	S106
Environment, Highways & Community Services	Roundhill Road	£102,411	Hurworth Gdns 16/00886/OUT Transport - Bus Services	S106

Environment, Highways & Community Services	Roundhill Road	£182,000	S106 16/00886 Bellway homes Public Transport	S106
Environment, Highways & Community Services	Neasham Road	£117,936	S106 20/00196 Neasham Road Joint Venture (JV) - Sustainable transport	S106
Environment, Highways & Community Services	Neasham Road	£101,709	S106 20/00196 Neasham Road JV - Highways Contribution	S106
Environment, Highways & Community Services	Neasham Road	£205,919	S106 Neasham Rd JV 20/00196/FUL Transport - Highways A66 Roundabouts	S106
Environment, Highways & Community Services	Blackwell Grange Footpath	£44,677	S106 - Blackwell Grange JV - 23/00782/FUL - Sustainable Transport Contribution	S106
Environment, Highways & Community Services	Speed Management & Road Safety	£16,191	RCCO 24/25 Contribution towards Speed Management & Road Safety from Personalised Travel Plan Delivery	RCCO
Resources & Governance	Capitalised repairs	£114,000	RCCO 24/25 Contribution towards Town Hall Block C Works	RCCO
Environment, Highways & Community Services	Flood Prevention Works at Stonedale Crescent	£45,000	RCCO 24/25 Contribution towards Flood Prevention Works at Stonedale Crescent	RCCO
Environment, Highways & Community Services	Highways Maintenance at Lime Lane	£120,000	RCCO 24/25 Contribution towards Highways Maintenance at Lime Lane	RCCO
Environment, Highways & Community Services	Dolphin Centre M&E Phase 3	£50,000	RCCO 24/25 Contribution towards Dolphin Centre Design Fees for Invest to Save - M&E Phase 3	RCCO
Environment, Highways & Community Services	Restoration of Locomotion No1 Replica	£15,000	Funding from Beamish Museum	Contribution from Beamish Museum
Environment, Highways & Community Services	Restoration of Locomotion No1 Replica	£50,000	Additional funding, part of £1m reserve	Rail Heritage ring-fence reserve
Resources & Governance	Social Housing Decarbonisation Fund - Wave 2.1	£1,271,238	TVCA Funding for Social Housing Decarbonisation Fund (SHDF) - Wave 2.1	TVCA
Environment, Highways &	Railway Heritage	£73,000	RCCO 24/25 Contribution towards RHQ to support	RCCO

Community Services	Quarter		Crossing Scheme	
Environment, Highways & Community Services	Walking Cycling Route MSG Yarm Road Mill Lane	£74,261	S106 - Walking Cycling Route MSG Yarm Road Mill Lane (16/00396/OUT 18/00972)	S106
TOTAL		£2,538,566		

26. **Appendix 4** details the general fund capital receipts and corporate resources received and brought forward from previous years. These amount to £5.344m of which £3.145m has been utilised to finance capital expenditure as well as £0.182m of earmarked receipts to fund slippage, leaving a balance of £2.017m to carry forward into future years.

Conclusion

27. The total capital spend incurred during 2024/25 was £51.712m. Overall a balanced programme has been achieved with a wide variety of capital improvements undertaken throughout the Borough during 2024/25.

Outcome of Consultation

28. There has been no consultation in the preparation of this report.