

<b>Report of</b>	<b>Assistant Director – Policy &amp; Corporate</b>	<b>Author</b>	<b>Paul Cook</b> ☎ 505861
<b>Title</b>	<b>Capital Monitor report, April 2019 – September 2019</b>		
<b>Wards affected</b>	Not applicable		

## 1 Action required

- 1.1 To review progress on the 2019/20 capital programme.

## 2 Reason for Scrutiny

- 2.1 To ensure that:
- spending on projects is within agreed budgets
  - projects are delivered to the required level to support service delivery objectives
  - the Council maximises its available capital resources, supporting the Council's Treasury Management Strategy and associated statutory requirements.
  - Members have assurance that the key risks associated with the capital programme are being managed to ensure efficient and effective delivery of the programme.
- 2.2 This report also gives the Panel the opportunity to hold Service Managers and Portfolio Holders accountable for their budgets and project delivery.

## 3 Background

- 3.1 The capital programme covers General Fund services; the Housing Investment Programme, and Revolving Investment Fund (RIF) projects.
- 3.2 The capital programme for 2020/21 will be set as part of the budget process.
- 3.3 The capital programme now totals £111m. Of this, £63m is expected to be spent in 2019/20.
- 3.4 New schemes have been added to the programme in Quarter 2 totalling £412k. These are shown in the table below.

Additional schemes (£'000)	
160	Heritage Lighting – revenue funded
160	Town Hall Boiler – transferred from Building Maintenance Programme
75	New pavilions for Archery and Cricket – Section 106 funded
17	Projector for Castle Museum – revenue funded
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- 3.5 The table below provides a revised forecast of the capital programme by service area: At the end of Quarter 2 expenditure totals £18m, which is 29% of the forecast for the year. At the same time last year, the programme was only 19% spent, though this was on a much smaller forecast of £44m.

The completed scheme to convert the former Garrison Gymnasium has overspent by £13k. This overspend will be referred to a future meeting of Cabinet for consideration.

SUMMARY	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000
Communities	11,026	1,460	7,846	19%	1,827	1,353	0	0
Environment	4,107	2,390	3,015	79%	1,092	0	0	0
Policy & Corporate	43,832	2,703	10,180	27%	32,685	547	420	0
Revolving Investment Fund (RIF)	29,490	7,518	22,996	33%	6,494	0	0	0
Completed Schemes	246	165	260	63%	0	0	0	13
Capitalised Maintenance Schemes	160	0	160	0%	0	0	0	0
<b>Total (General Fund)</b>	<b>88,861</b>	<b>14,236</b>	<b>44,457</b>	<b>32%</b>	<b>42,098</b>	<b>1,900</b>	<b>420</b>	<b>13</b>
Housing Revenue Account	22,368	4,072	18,868	22%	3,500	0	0	0
<b>Total Capital Programme</b>	<b>111,229</b>	<b>18,308</b>	<b>63,325</b>	<b>29%</b>	<b>45,598</b>	<b>1,900</b>	<b>420</b>	<b>13</b>

## 4 Strategic Plan references

4.1 The Council's Capital Programme is aligned to the Strategic Plan.

## 5 Financial implications

5.1 Within the details of this report.

## 6 Risk management implications

6.1 Risk management issues are considered as part of individual capital projects. Currently the key risk within the capital programme as reported relates to the finalisation of funding arrangements to enable key schemes primarily within the RIF to progress. Relevant officers are endeavouring to formalise funding arrangements where necessary. The position is being continuously monitored.

## 7 Other standard references

7.1 Having considered consultation, publicity, equality, diversity and human rights, community safety, and health and safety implications, there are none that are significant to the matters in this report.

## 8 Appendices

8.1 Scheme Status Appendix

## Background papers

None

## Scheme Status Appendix

COMMUNITIES	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Tiptree P C - Store & WCs S106	89	0	89	0%	0	0	0	0	G	G
St Luke's Church Hall Tiptree	42	0	42	0%	0	0	0	0	G	G
Collingwood Road Scout Hut	70	47	70	67%	0	0	0	0	G	G
Heritage Lighting	306	1	306	0%	0	0	0	0	G	G
Projector - Castle Museum	17	17	17	100%	0	0	0	0	-	G
Stanway Community Centre	118	17	118	14%	0	0	0	0	G	G
Mercury Theatre Redevelopment Phase 2	6,631	940	5,881	16%	750	0	0	0	G	G
Cemetery Extension	39	0	39	0%	0	0	0	0	G	G
Cemetery Exterior Lighting	20	0	0	N/A	20	0	0	0	G	G
Mandatory Disabled Facilities Grants	3,459	397	1,222	32%	957	1,280	0	0	A	A
Private Sector Renewals - Loans and Grants	235	41	62	66%	100	73	0	0	G	G
<b>TOTAL - Communities</b>	<b>11,026</b>	<b>1,460</b>	<b>7,846</b>	<b>19%</b>	<b>1,827</b>	<b>1,353</b>	<b>0</b>	<b>0</b>		

**Comments on Mandatory Disabled Facilities Grants:**

The Disabled Facilities Grant is a mandatory grant to pay for adaptations to enable disabled people to remain living at home with increased independence.

The Healthy Homes Team has now recruited in to the vacant F/T Support Officer post and they are due to start on 14/10/19. Agreement has also been sought to increase capacity in the team to accommodate for future demand around increased number of grants and the transition to a Civica Replacement System. This transition to a new system is estimated to equate to a F/T member of staff for a period of 3 months working on this. A 6-month P/T Support Officer role appointment in the same round of interviews is due to start on 28/10/19.

There have been a total of 44 grants paid at the end of Quarter 2, totalling £322,283.60. There are 38 grants approved with a total commitment standing at £358,710.27 at the end of Quarter 2.

There was a total of 62 DFGs completed in 2018/19, compared to 80 in 2017/18. In 19/20. If the majority of committed applications are completed and paid in year, combined with in house staffing costs expenditure should be circa. £700k, however, new grant applications are being received each week.

The Healthy Homes Team has started to work with the Business Improvement Team to reduce grant and loan processing time by finding efficiencies, and also to review and update the Financial Assistance Policy. This work will also support the transfer of an optimised process in to the Civica Replacement System, ensuring an inefficient process is not replicated in a new system. We are also identifying ways to improve efficiency with regards to transferring to a digital applications form system, offered by Ferret Information Systems. This will reduce the need for physical paperwork when administering grant applications.

**Comments on Mercury Theatre:**

Work is progressing well on site and the Mercury decant plan is now operational and fundraising continues.

ENVIRONMENT	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Shrub End Depot	1,041	24	100	24%	941	0	0	0	A	A
Waste Fleet Vehicles	2,816	2,362	2,665	89%	151	0	0	0	G	G
Wivenhoe Adult Gym	16	0	16	0%	0	0	0	0	G	G
Castle Park Cricket Pavilion Extension S106	125	0	125	0%	0	0	0	0	G	G
Mile End Sports Ground	2	0	2	0%	0	0	0	0	G	G
Highwoods Country Park - Visitor Centre Improvements	25	0	25	0%	0	0	0	0	G	G
Local Authority Carbon Management (LACM)	82	4	82	5%	0	0	0	0	-	G
<b>TOTAL - Environment</b>	<b>4,107</b>	<b>2,390</b>	<b>3,015</b>	<b>79%</b>	<b>1,092</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**Comments on Shrub End Depot:**

There has been some time taken to get new management up to speed on the project. During this time careful consideration is being taken on the impact of any changes; this has included consultation with a Waste and Transfer Station specialist. An initial conversation has also been had with a workspace specialist. Draft master plans will start to be drawn up shortly.

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POLICY & CORPORATE	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Assistance to Registered Housing Providers	36	0	36	0%	0	0	0	0	G	G
Grants to Registered Providers (1-4-1 RTB Receipts Funded)	671	112	225	50%	446	0	0	0	G	G
Purchase of properties for temporary accommodation	54	1	54	2%	0	0	0	0	G	G
Lending to new Council Housing Company	28,800	400	1,000	40%	27,800	0	0	0	A	G
Equity Investment in CCHL	7,300	1,500	7,000	21%	300	0	0	0	G	G
Equity Investment in CAEL	80	80	80	100%	0	0	0	0	G	G
Facility Loan to CAEL	2,520	600	1,100	55%	500	500	420	0	A	G
District Heating Project North	0	-28	0	N/A	0	0	0	0	G	G
Colchester Northern Gateway Heat Network	4,089	0	500	0%	3,589	0	0	0	G	G
Walls - new merged scheme	110	13	13	100%	50	47	0	0	G	G
CCTV Monitoring	87	25	87	29%	0	0	0	0	G	G
LWC - Aqua Springs Refurbishment	85	0	85	0%	0	0	0	0	G	G
<b>TOTAL - Policy &amp; Corporate</b>	<b>43,832</b>	<b>2,703</b>	<b>10,180</b>	<b>27%</b>	<b>32,685</b>	<b>547</b>	<b>420</b>	<b>0</b>		

REVOLVING INVESTMENT FUND	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Northern Gateway North	61	5	61	8%	0	0	0	0	G	G
CNGN - Mile End Cricket	59	4	59	7%	0	0	0	0	G	G
CNGN - Sports Hub	21,960	6,703	20,259	33%	1,701	0	0	0	A	A
Northern Gateway South	30	37	30	123%	0	0	0	0	G	G
CNGS - Detailed Planning	214	181	214	85%	0	0	0	0	G	G
CNGS - Boulevard	3,250	170	500	34%	2,750	0	0	0	G	G
Town Centre	2,185	105	500	21%	1,685	0	0	0	A	A
Jacks - St Nicholas St	644	203	644	32%	0	0	0	0	G	G
St Nicholas Square & Balcerne Gardens	26	2	26	8%	0	0	0	0	G	G
Sheepen Road Phase 2	85	53	85	62%	0	0	0	0	G	G
St Botolphs Public Realm	118	1	10	10%	108	0	0	0	G	G
East Colchester Enabling Fund	141	0	141	0%	0	0	0	0	G	G
Moorings Utility Works	75	3	75	4%	0	0	0	0	-	G
Breakers Park	69	0	69	0%	0	0	0	0	G	G
Digital Strategy - feasibility	160	51	160	32%	0	0	0	0	G	G
Sport & Leisure Asset Review	120	0	120	0%	0	0	0	0	G	G
Grow-on - former Queen St Bus Depot	31	0	31	0%	0	0	0	0	G	G
Broad Lane Sports Ground Wivenhoe	12	0	12	0%	0	0	0	0	G	G
Pre development/feasibility funds	250	0	0	N/A	250	0	0	0	G	G
<b>TOTAL - RIF</b>	<b>29,490</b>	<b>7,518</b>	<b>22,996</b>	<b>33%</b>	<b>6,494</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**Comments on Sports Hub:**

Main contractor on site and work is well underway with target completion of May 2020. Work ongoing with funders to meet funding criteria and with end users of the completed facility.

**Comments on Town Centre:**

The programme will be delivered but some spend in 2020/21.

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COMPLETED SCHEMES	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000
Creative Business Centre	1	0	1	0%	0	0	0	0
LWC - Health & Fitness Extension	0	0	0	N/A	0	0	0	0
Oak Tree Community Centre Roof	20	0	20	0%	0	0	0	0
Lion Walk Activity Centre	1	0	1	0%	0	0	0	0
Garrison Gym Rebuild	-4	10	10	100%	0	0	0	13
Old Heath Recreation Ground Improvements	30	0	30	0%	0	0	0	0
Relocation of Museum Resource Centre	2	0	2	0%	0	0	0	0
Replacement of Cremators	5	0	5	0%	0	0	0	0
St Johns Car Park	8	0	8	0%	0	0	0	0
Castle Park Improvements	183	155	183	85%	0	0	0	0
<b>TOTAL - Completed Schemes</b>	<b>246</b>	<b>165</b>	<b>260</b>	<b>63%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>

CAPITALISED MAINTENANCE	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Town Hall - Boilers	160	0	160	0%	0	0	0	0	-	G
<b>TOTAL - Capitalised Maintenance</b>	<b>160</b>	<b>0</b>	<b>160</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		

HOUSING REVENUE ACCOUNT	Total Programme £'000	Accrued spend to Q2 £'000	Forecast 2019/20 £'000	Spend against forecast %	Forecast 2020/21 £'000	Forecast 2021/22 £'000	Forecast 2022/23 £'000	(Surplus) / Shortfall £'000	RAG Status	
									Previous	Current
Housing Improvement Programme	8,663	1,360	8,663	16%	0	0	0	0	G	G
Adaptations to Housing Stock	722	265	722	37%	0	0	0	0	G	G
Sheltered Accommodation	300	26	300	9%	0	0	0	0	G	G
Housing ICT Development	617	0	617	0%	0	0	0	0	G	G
Council House New Build	759	100	759	13%	0	0	0	0	G	A
Purchase of properties - HRA	7,400	2,195	7,400	30%	0	0	0	0	G	G
New Build on Garage Sites	3,907	126	407	31%	3,500	0	0	0	A	A
<b>TOTAL - Housing Revenue Account</b>	<b>22,368</b>	<b>4,072</b>	<b>18,868</b>	<b>22%</b>	<b>3,500</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**Comments on Council House New Build:**

Airspace and Military Road projects will carry costs over into next financial year, Military due to commence works in April/May 2020.

**Comments on New Build on Garage Sites:**

3 of 5 sites will have planning applications submitted in October. Construction now scheduled for May/June 2020 so will be carried forward.

**Status Key**

Status	Definition	Action
Red	There are significant issues with one or more aspects of the scheme (time, cost, scope), which require corrective action to meet the project objectives. The issue cannot be mitigated by the project manager or project team.	Escalate to project sponsor immediately. Highlight to PMB and the Scrutiny Panel.
Amber	Timing differences identified or one or more aspects of the project are at risk and are being flagged. Project performance is expected to be addressed by the project manager or project team.	Reprofiling or briefing to project sponsor. Report as part of overall summary.
Green	All aspects of the project are performing to plan.	No action required. Report as part of overall summary.