
CAPITAL PROGRAMME 2012/13

1 SUMMARY

- 1.1 This report reviews the current Capital Programme for 2012/13 following closure of the Accounts for 2011/12 and the Executive meeting on 20 June 2012.

2 INTRODUCTION

- 2.1 As part of the Medium Term Financial Strategy (MTFS) each year, the Council agrees a Capital Programme for the coming financial year and the following four years. The Programme covers all General Fund services and other Housing and shows the programme of expenditure and how it will be financed.
- 2.2 The Capital Programme for 2012/13 needs to be revised following the closure of the accounts for 2011/12 so that, where capital projects have been delayed or to match the timing of payments, the remaining budgets have been rolled into 2012/13. This does not have any additional impact on capital receipts balances as the expenditure is just delayed.

3 2011/12 RESULTS

- 3.1 The total capital expenditure was £1.21m compared to a budget of £1.99m and the attached Appendix shows the actual expenditure in 2011/12 for all the projects. In the Appendix there is an explanation of where expenditure did not happen as planned and details of where unspent budget has been rolled forward into 2012/13.

4 2012/13 REVISED CAPITAL PROGRAMME

- 4.1 The attached Appendix outlines the revised Capital programme for 2012/13, updated with new information principally following closure of accounts for 2011/12. The current allocations for 2012/13 are shown in the column headed 'Revised 2012/13'.
- 4.2 **Hockley Woods Car Park Improvements**
- 4.3 As part of the budget process, Council agreed the introduction of parking charges at Hockley Woods together with improvements to the parking facilities provided. At its meeting on 20 June 2012, the Executive considered two options for the improvements. The first option included operational improvements to the parking area with replacement of the current gravel with self binding gravel and would be delivered within the approved provision of £30,500. Following meetings with local Ward Members, concerns were raised over the nature of the planned surfacing material and the Executive requested a higher quality, more resilient tetra grid product. The Executive agreed to recommend to Council the adoption of the second option. The additional

costs of £74,500 can be funded by using underspends from the 2011/12 capital allocations for the Open Spaces programme and Cherry Orchard Jubilee Country park.

- 4.4 Council had also asked that a detailed design and timetable be developed for a Pet Memorial Area. The Executive at its meeting in June considered a scheme for the Cherry Orchard Jubilee Country Park within close proximity to the car park adjacent to Cherry Orchard Way. This will be a fenced area of informal design with the emphasis on enhancing its wildlife and amenity value. The scheme will require a capital investment of approximately £25,000 and this has been included within the capital provision for the Cherry Orchard Jubilee Country Park.
- 4.5 The full Capital Programme for 2012/13 to 2016/17 will be presented to Members as part of the budget setting process later in the year.

5 RISK IMPLICATIONS

- 5.1 Delays in completing the items on the Capital programme could prevent the Council from achieving its strategic objectives and lead to adverse publicity. The allocation of resources needs to be carefully managed to ensure that the Programme is properly funded and the revenue consequences are included in the MTFS for the General Fund.
- 5.2 When agreeing the MTFS, Council also agrees the monitoring, reporting and decision making arrangement for the Capital Programme items. The Executive received a quarterly monitoring report on the progress in implementing the Capital Programme.
- 5.3 In the Spending Review announced in October 2010 a number of grants have been removed or reduced. Although currently there is no impact on the Capital Grants received, this situation may alter in the future reducing the amount of resource available for the Capital Programme.

6 RESOURCE IMPLICATIONS

- 6.1 When the Capital Programme was agreed in January 2012, the forecast for the capital receipts balance at the end of each year was as follows:-

£000s	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Capital Receipts Balance	1,005	488	324	211	2	0

- 6.2 The main source of capital receipts is from the sharing arrangements established as part of the Large Scale Voluntary Transfer of the Council's housing stock. The right to buy receipts for 2011/12 were £0.5m and VAT Shelter were £0.19m; a total of £0.69m compared to an estimate of £0.3m.

- 6.3 Following the closure of accounts for 2011/12, with the reprofiling of expenditure and the additional income that was received during the year, the current forecast for capital receipts balances is as follows:-

£000s	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Capital Receipts Balance	2,187	963	796	683	474	193

7 RECOMMENDATION

- 7.1 It is proposed that Council **RESOLVES**

- (1) To agree the amendment to the capital allocations for Hockley Woods and Cherry Orchard Jubilee Country Park in order to fund the scheme of improvements for Hockley Woods car park as recommended by the Executive.
- (2) To agree the use of £25,000 of the Cherry Orchard Jubilee Country Park capital provision for the construction of a Pet Memorial Area in the Park.
- (3) To agree the revised Capital Programme for 2012/13.

Yvonne Woodward

Head of Finance

Background Papers:-

None.

For further information please contact Carrie Cox (Financial Services Manager/ Chief Accountant) on:-

Phone: 01702 318164

Email: carrie.cox@rochford.gov.uk

If you would like this report in large print, Braille or another language please contact 01702 318111.

Capital Programme, Actuals for 2011/12 and Revised for 2012/13

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Information & Communications					
ICT Strategy	50,000	30,658	50,000	62,342	The 2012/13 budget is being used to carry on the CoCo assessment regime changes that started in 2011/12. It will also be used for the Academy Server Migration.
Vehicles and Equipment					
Wheelie Bins	102,208	83,271	55,000	73,936	The Kerbside scheme continued in 2011/12. Further plans are intended to maintain the District's high recycling rate and the efficient utilization of the bins, therefore the unused budget has been rolled forward.
Vehicle Replacements	23,700	19,000	32,100	32,100	This programme has been frozen pending a review of vehicles. However In 2011/12 there was the urgent need to replace some vehicles. No budget will be rolled forward.

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Equipment Replacement Programme	161,874	128,640	50,000	90,235	<p>Outstanding budget from 2011/12 will be rolled forward to cover the Audio Visual Equipment for the Civic Suite, which although approved in 2011/12 was implemented in May 2012.</p> <p>The remaining 2012/13 programme is for the replacement of the print room machines and a new franking machine</p>
Operational Assets					
Hall Road Cemetery Extension	222,383	22,282	-	200,101	<p>The unused budget from 2011/12 will be rolled forward to be used for future works, detail of which will be reported to the Executive later this year. Change in profiling is due to a change in the demand for cemetery plots. Total cost is still within the total £535k originally approved.</p>
Rochford Offices - Heating and Electrical Works	400,000	295,389	23,000	125,759	<p>These works are largely now complete, with making good and snagging to complete.</p>
Rochford Offices Window Enhancements	-	-	35,000	35,000	<p>New programme to improve energy efficiency in the office buildings. Subject to Executive Decision.</p>

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Rochford Offices – Upgrade of Loft insulation	-	-	10,000	10,000	New programme to improve energy efficiency in the office buildings.
Rayleigh Office Accommodation - Structural Repairs	17,000	10,728	12,000	12,000	Civic Suite Roofing was part reroofed in 2011/12 and some additional areas are to be reroofed in 2012/13.
Council buildings - Climate CO ₂ de Actions	52,104	53,956	-	-	Replacement of heating system in 15 South Street and Red house was completed in the 2011/12.
Pavilion Refurbishments	30,000	-	30,000	60,000	2011/12 budget has been rolled forward to enable energy saving measures to be implemented at key pavilions, this will be subject to Executive decision.
Town & Village improvements					
Big society Funding	-	-	45,000	41,500	Provide capital funds to the third sector. Allocation based on bids which have been completed for 2012/13. The unallocated portion has been rolled into 2013/14.

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Hockley Car Park (Southend Road)	-	-	25,500	25,500	Routine replacement of deteriorating surfacing of complete car park area. To ensure safe continual use of car park for customers of the district and encourage local shopping. Expenditure will be approved by Head of Service
Signage Enhancements	-	-	5,000	5,000	Programme to replace and upgrade the highway and other directional signage to our facilities, including council offices and leisure facilities etc is under development. Expenditure will be approved by Head of Service
Public Conveniences	-	-	30,000	30,000	All the facilities are being reviewed to assess the work required to ensure that they are fit for purpose. Works will be subject to Executive decision.
Parks & Play Facilities					
Play Spaces	75,380	75,193	50,000	50,000	The programme for 2012/13 agreed by Executive covers: <ul style="list-style-type: none"> • Installation of self-closing gates, as recommended in a safety audit. • Improvements to the play surfaces • Information signs • Replacement swings at Canewdon

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Cherry Orchard Jubilee Country Park	227,842	5,541	115,000	327,800	The expenditure profile will be reviewed. The revised provision includes the carry forward of the unspent allocation from 2011/12 and the changes arising from Executive recommendations regarding Hockley Woods and a Pet Memorial Park.
Hockley Woods car park	-	-	30,500	105,000	Extension and layout of car park, Installation of charging machines and traffic order changes etc and operational improvements to the parking area and compound. See main report for background to increase.
Magnolia Public Open Space	-	-	30,000	30,000	Improvements to maintain surface water drainage ditch on Council owned land and protect the residential properties on Rectory Avenue from flooding arising from Council land. Subject to Executive decision.
Rayleigh Leisure Centre - ground re-inforcement to overflow car park	-	-	30,000	30,000	Ground re-inforcement to remedy ongoing problems with sunken areas and water pooling. Similar projects have worked well at Sweyne Park and Cherry Orchard.

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Parks & Open Spaces Programme	111,596	46,662	35,000	60,000	The programme for 2012/13 agreed by the Executive in June covers: £30,000 match funding for Skateboard facilities at Canewdon £15,000 match funding for BMX track at Grove Woods £15,000 for resurfacing of footpaths.
Fairview Drainage	35,000	20,170	-	-	Works completed in 2011/12
Turret Farm Drainage	15,000	12,140	-	-	Works completed in 2011/12
Externally Funded Projects					
Thames Gateway Decent Homes	135,075	103,943	-	31,131	This spend relates to grant received in 2010/11, any unspent will again be rolled forward.
Sub Total	1,659,162	907,573	693,100	1,437,405	
Housing					
Home maintenance and Adaptation Grants	70,000	35,951	70,000	104,049	Last year's unspent budget has been rolled forward.
Disabled Facilities Grants	256,000	270,637	250,000	256,000	Allocation is linked to amount of funding from Government.
Total Housing	326,000	306,588	320,000	360,049	
Total Capital Programme	1,985,162	1,214,161	1,013,100	1,797,454	

	Revised	Actual	Estimate	Revised	Commentary
	2011/12	2011/12	2012/13	2012/13	
Financed by:					
Capital Grant	202,575	171,443	-	31,131	
Housing Grants	156,000	189,362	150,000	156,000	
Capital Receipts Required for General Fund	1,626,587	853,356	863,100	1,610,323	
Total Financing	1,985,162	1,214,161	1,013,100	1,797,454	
Capital Receipts B/fwd	2,331,784	2,331,784	1,005,197	986,256	
Received in Year	50,000	522,055	10,000	50,000	Right to buy and mortgages
VAT shelter receipt	250,000	186,948	336,000	336,000	
Use in year	(1,626,587)	(853,356)	(863,100)	(1,610,323)	
Capital Receipts C/fwd	1,005,197	2,187,430	488,097	963,107	