

AGENDA MANAGEMENT SHEET

Name of Committee

Cabinet

Date of Committee

28 January 2010

Report Title

2009/10 Projected Capital Outturn as at Quarter 3

Summary

This report seeks members' approval of changes to the capital expenditure and financing programme since September 2009.

For further information please contact:

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Would the recommended decision be contrary to the Budget and Policy Framework?

No.

Background papers

None

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees

.....

Local Member(s)

Other Elected Members

Cllrs Appleton, Gittus, Davis, Moss - for information

Cabinet Member

Cllr Heatley

Chief Executive

.....

Legal

Sarah Duxbury

Finance

David Clarke - reporting officer

Other Chief Officers

.....

District Councils

.....

Health Authority

.....

Police

.....

Other Bodies/Individuals

FINAL DECISION NO

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee Final outturn will be reported in June 2010

To Council *for approval of increased borrowing on Northgate House scheme*

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Cabinet - 28 January 2010.

2009/10 Projected Capital Outturn as at Quarter 3

Report of the Strategic Director, Resources

Recommendations

- 1) That Cabinet recommends Council approve the increased borrowing requirement for Northgate House as detailed in paragraph 4.3.
- 2) That Cabinet approves the budget 'switch' to pay for revenue works on the Old Shire Hall and Courts scheme, as detailed in paragraph 4.8.
- 3) That, subject to Council's decision on recommendation 1, Cabinet approves the revised payments totals for 2009/10 as detailed in Table 1.
- 4) That, subject to Council's decision on recommendation 1, Cabinet approves the revised financing proposal for 2009/10 as detailed in Table 2.
- 5) That Cabinet notes the projections of estimated capital spending and financing for future years.

1 Introduction

- 1.1 This report is the regular quarterly monitoring report dealing with changes to the capital programme arising from the latest review of capital projects. This report highlights changes since the report to Cabinet in September 2009 and provides estimates of capital expenditure and financing for 2009/10 and later years.

2 Background

- 2.1 Capital expenditure is spending on assets which have a life of more than a year. It is defined by statute and includes acquisition of land, construction and improvement of buildings and roads, and the purchase of plant, machinery, and equipment and computer software.
- 2.2 The County Council must ensure that it has sufficient funding to meet its capital payments in each financial year. The main sources of finance are:
- Borrowing. The Authority is required to demonstrate that its borrowing is prudent, sustainable and affordable.
 - Capital grants from the Government.
 - Third Party Contributions e.g. private sector developers.
 - Capital Receipts from the sale of assets as agreed by Cabinet.
 - Directorate Revenue budgets.

- 2.3 In the budget set by Council in February, the approved estimated value of capital payments due in 2009/10 was £124.8 million. The approved estimated prudential borrowing required to fund this level of capital expenditure in 2009/10 was £60.3 million and a further £2.5 million in later years.
- 2.4 In the report to Cabinet in September, the approved estimated value of capital payments in 2009/10 was adjusted to £128.9 million, with prudential borrowing requirements of £57.0 million in 2009/10 and £21.3 million in later years.

3 Approach taken in this report

- 3.1 The current extraordinary economic situation, coupled with the national election timetable, leaves us with a very unclear capital financing position from 2011/12 onwards. We anticipate that funding levels for this period will be significantly reduced from current levels, but this will not be confirmed until some time after the next general election.
- 3.2 Given this position, Members will be anxious not to commit to future schemes before they can be confident of the total availability of funding. Therefore this report only includes schemes funded entirely from funding approved by Council in February 2009 or from confirmed funding sources approved by Members since then, with the exception of the request for further self-financed borrowing for one scheme, detailed in paragraph 4.3.
- 3.3 The process for setting the programme for 2011/12 onwards is described in the Budget paper being presented at this Cabinet meeting.

4 Specific Project Notes

- 4.1 Since the Q1 report in September, Members have approved a substantial increase in borrowing to fund the increased costs on the Rugby Western Relief Road project. The full costs of this scheme, along with the increased borrowing and necessary deferrals to other Environment & Economy Directorate capital projects, are shown in this report.
- 4.2 The cuts shown are necessary to balance the E&E capital programme within the limit of the confirmed funding for future years (see section 3). However, these decisions will be reviewed when future funding streams become more certain.
- 4.3 The scheme to renovate Northgate House has increased in cost by £211,200. Whilst £146,600 is fully funded by virements from other programmes, there is still a requirement of £64,600 further self-financed borrowing. Cabinet are therefore asked within this report to recommend to Council that the borrowing requirement on this project be increased by this figure. Further detail on the cause of this cost increase may be found in **Appendix B**.

- 4.4 In order to show the complete funding allocated to Directorates, we have included two new 'schemes' in this review. In both cases these are areas where funding has already been allocated to the Directorate but, for various reasons, not to a specific scheme.
- 4.5 The first such 'scheme' shows prudential borrowing allocated to the Children, Young People and Families Directorate which represents the balance of allocations to specific schemes which recorded underspends. CYPF uses this 'Education Capital - Unallocated' funding to balance short-term funding needs on other projects. It currently holds £28,000 of prudential borrowing which CYPF may use at their discretion.
- 4.6 The other 'scheme' shows the capital receipts allocated to CYPF which have been delayed by the current economic climate and moratorium on disposals. CYPF replaced this funding with other sources to allow the original schemes to proceed and therefore may apply the receipts elsewhere in their capital programme when they are realised. The value in this 'scheme' is £9,122,000 in 2010/11; however as this is an estimate of various future disposals, this figure and date should be viewed as indicative only. CYPF will be limited to spending no more than the actual value of the receipts.
- 4.7 In both cases, CYPF may use the funding to supplement the financing of schemes already approved by Members. However they will not start entirely new schemes funded from these sources without prior Member approval, in accordance with Financial Standing Orders.
- 4.8 The scheme to redevelop the old Shire Hall and Courts was originally viewed as a capital project, to be funded from prudential borrowing. The project manager has identified a need for £50,000 of external consultancy works to work on options appraisal, as reported to Cabinet on the 17th December 2009. These costs must, by external regulation, be regarded as revenue costs and paid for with revenue sources. To provide a budget for these works, it is proposed that a budget 'switch' be performed which re-allocates some of the original prudential borrowing allocation for this scheme to another capital scheme which was to be funded from revenue contributions. In this way, the total borrowing for the Council is unaffected and the revenue contribution is used to pay for revenue works. The 'switched' scheme will be Internal Software Developments for Directorates 2009/10. Members are therefore asked to approve:
- the reduction in the total budget for the capital Old Shire Hall and Courts scheme by £50,000;
 - the transfer of £50,000 prudential borrowing allocation from this scheme to the Internal Software Developments for Directorates 2009/10 scheme; and
 - the transfer of £50,000 revenue contribution from this scheme to the revenue budget of Phil Evans, Head of Facilities Management, to pay for the revenue costs of the consultancy works.

5 Variations to be Reported

5.1 **Appendices A and B** list all the schemes which need to be reported to cabinet under Financial Standing Orders. Table 1 shows the impact of these changes on the overall capital programme. Members should note that this does not include the new proposals for 2010/11 projects listed in the Budget paper also presented to this meeting.

Table 1: Estimated Capital Payments 2009/10 - 2011/12 and later years					
Directorate	Previous Estimate 2009/10	Change 2009/10	Latest Estimate		
			2009/10	2010/11	2011/12 and later years
	£000	£000	£000	£000	£000
Adult, Health & Community Services	3,754	(212)	3,542	6,436	0
Children, Young People & Families	50,560	(4,325)	46,235	62,468	10,832
Customers, Workforce and Governance	1,347	(779)	568	949	0
Environment & Economy	56,247	(7,644)	48,603	57,021	1,473
Fire and Rescue	1,882	15	1,897	1,785	0
Resources	15,983	(2,361)	13,622	8,189	2,149
Total	129,772	(15,306)	114,466	136,849	14,454

(Individual items may not balance to the total due to rounding)

5.2 The total change in payments in all years shown in Table 1 is an increase of £19.8 million over the figure reported at Quarter 1. The major individual causes of this movement are:

- i) The increase of £12.1 million in the cost of Rugby Western Relief Road. Whilst £5.4 million of this has been covered from elsewhere in the E&E capital programme (see paragraph 4.1), there has been a net increase in the cost of the capital programme of £6.7 million, funded by self-financed borrowing.
- ii) The addition of the scheme to transfer Learning Disability Facilities from the PCT, at a value of £4.3 million, approved by Council in September 2009.
- iii) The addition of the scheme to improve Kitchen and Dining facilities in schools, at a value of £2.1 million, approved by Council in December 2009.
- iv) The recognition of expenditure against future capital receipts allocated to CYPF, as described in paragraph 4.6, at a value of £9.1 million.

5.3 Whilst the total capital programme has increased, the anticipated expenditure in 2009/10 has decreased by £15.3 million. This represents slippage in a variety of programmes and the detail can be found in **Appendices A and B**. Whilst this movement represents a significant decrease of 11.9%, this is comparable to the movement at this point last year, which was 11.5%.

5.4 The £33.9 million increase in the anticipated spend for 2010/11 can be partly explained by the impact of this slippage, and partly by the items listed in paragraph 5.2 above, all of which impact on 2010/11.

6 Financing Implications

6.1 Tables 2 and 3 show how the expenditure shown in Table 1 is to be financed. This leads to a projected borrowing of £53.4 million in 2009/10, which has decreased by £3.6 million since the Q1 report in September 2009. This is primarily caused by the slippage referred to in paragraph 5.3.

6.2 Total borrowing requirements have increased however by £23.6 million to £101.8 million, with the highest impact in 2010/11. This is partly due to a decrease in assumed capital receipts from £23.0 million to £14.8 million. The remaining significant causes of this increase are:

- i) The increased £6.7 million borrowing for Rugby Western Relief Road
- ii) The recognition that £9.1 million of the anticipated capital receipts are already earmarked for CYPF, and therefore cannot be used to reduce corporate prudential borrowing.

Table 2 Estimated Financing to 2011/12 and later years

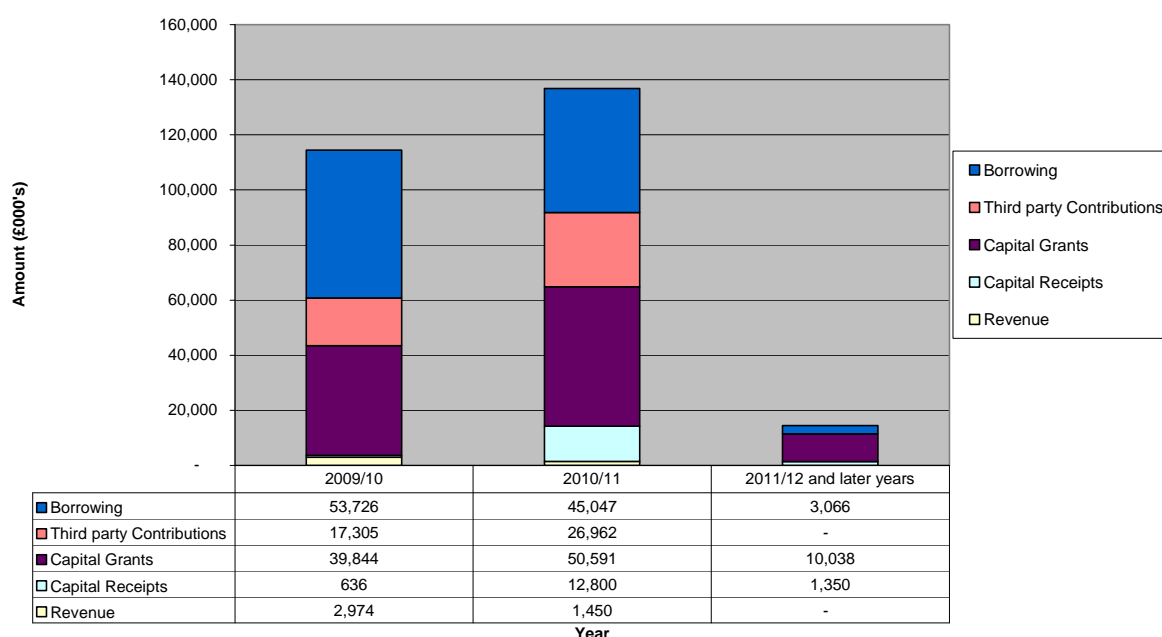
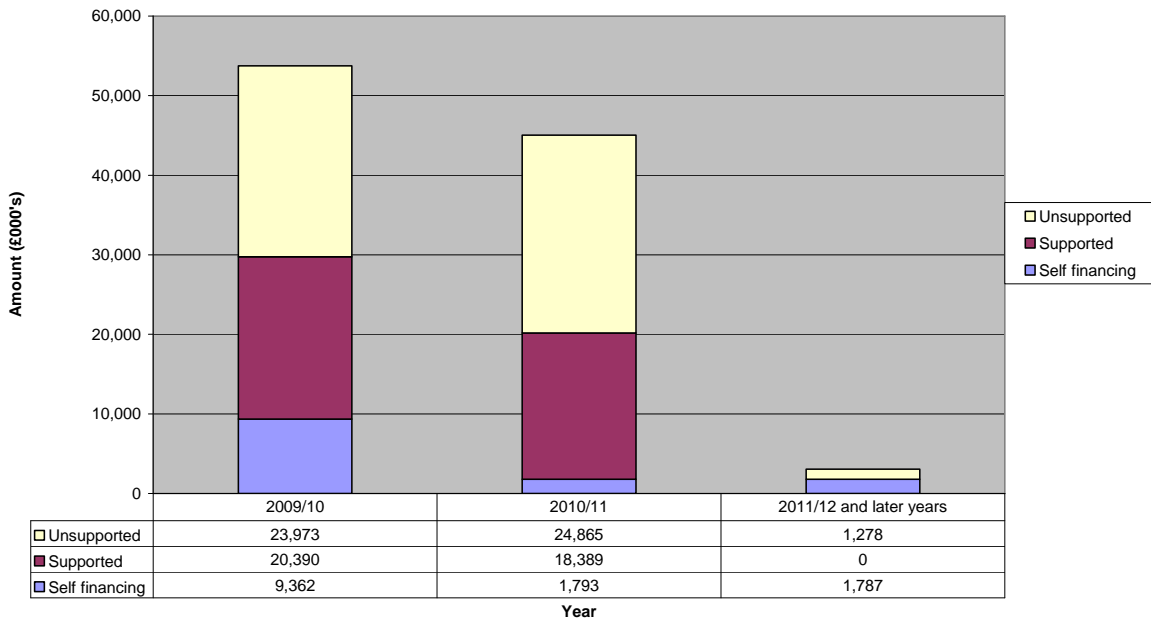
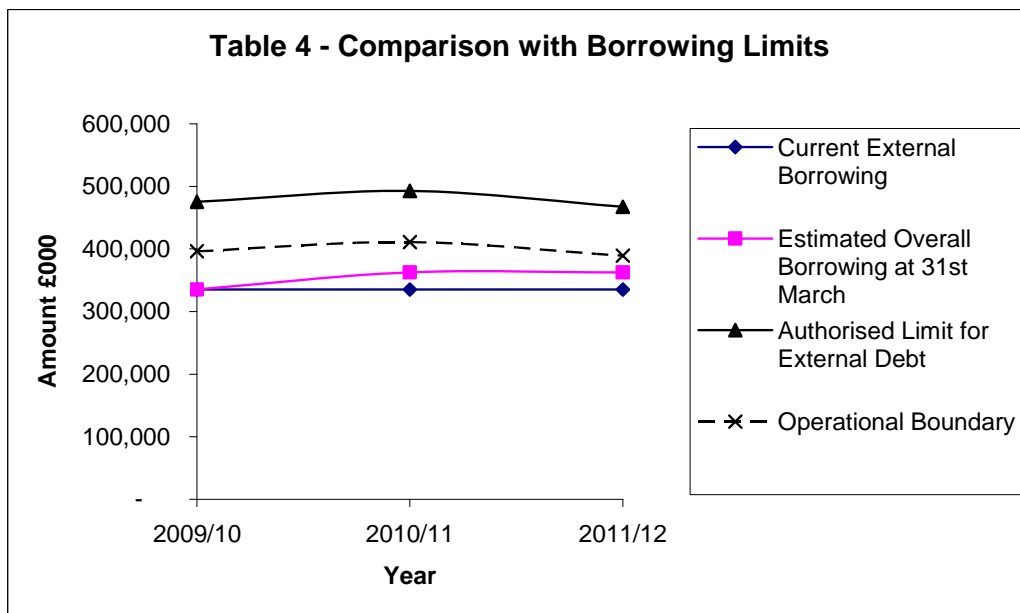


Table 3 Analysis of Estimated Borrowing



6.3 Table 4 applies the projected external borrowing for future years to the Operational Boundary and Authorised Limit set by Council in February for 2009/10, 2010/11 and 2011/12. This projection indicates that the expenditure included in this report leads to levels of external borrowing well within both limits.



DAVID CLARKE
Strategic Director, Resources

Shire Hall
Warwick
05 January 2010

Item 3- Appendix A - New projects and projects with variations in payment phasing above £100,000

Explanatory Note:

This appendix summarises the change between total project cost reported at Quarter 1 2009/10 and the latest estimate. Where variances in total cost are over the tolerances set by the Financial Standing Orders, explanations for these are given in Appendix B. This appendix also details changes in the phasing of payments between years, indicating where expenditure on projects has slipped from 2009/10 into later years. Slippage, or reductions in the total cost of a scheme, are shown in brackets.

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Adults, Health and Community Services							
Libraries, Learning and Culture	Improving The Customer Experience - Libraries	0	183,000	183,000	143,000	40,000	
Adult Social Care	Day Services Modernisation Programme 2005/2006	329,600	581,300	251,700	247,500	4,200	
	Mental Health Grant 2009/10	178,000	178,000	0	(128,000)	128,000	
	Social Services Accommodation Plan 2006/2007	150,000	0	(150,000)	(150,000)		
	Transfer Of Social Care Responsibility For Adults With a Learning Disability	0	4,325,000	4,325,000		4,325,000	
Other	Other Changes Below £100,000	8,648,900	8,564,600	(84,300)	(324,200)	239,900	
Total - Adults, Health and Community Services		9,306,500	13,831,900	4,525,400	(211,700)	4,737,100	0

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Children, Young People and Families							
Education	Alcester - Our Lady's Catholic Primary School	0	250,000	250,000		250,000	
	Alderman Smith - Specialist Sports Facilities Grant	300,000	300,000	0	(212,200)	212,200	
	Basic Need Schemes 2009/10	0	306,500	306,500		306,500	
	Basic Need Schemes 2010/11	1,259,500	1,550,400	290,900		290,900	
	Bawmore Infant School - Phase 3 Childrens Centre	0	150,000	150,000	15,000	135,000	
	Cawston Primary School - Phase 3 Childrens Centre	367,000	368,000	1,000	(151,000)	152,000	
	Claverdon Village Nursery Extension	0	110,000	110,000	110,000		
	Coleshill Primary School Phase 3 Childrens Centre	452,000	492,600	40,600	(327,400)	368,000	
	Devolved/School Level Budgets 2009/10	15,474,500	14,212,200	(1,262,300)	(927,600)	(334,700)	
	Dunchurch Library - Phase 3 Childrens Centre	255,000	0	(255,000)	(233,000)	(22,000)	
	Early Years Childcare Grant 2009/10	1,963,200	1,745,900	(217,300)	(217,300)		
	Early Years Childcare Grant 2010/11	1,963,200	1,824,300	(138,900)		(138,900)	
	Education Capital - Earmarked Capital Receipts	0	9,121,000	9,121,000		9,121,000	
	Extended Schools 2008/09	400,400	76,000	(324,400)	(324,400)		
	George Eliot Lift	0	140,000	140,000		140,000	
	Harnessing Technology Grant 2008/09	2,469,200	872,600	(1,596,600)	(1,596,600)		
Kineton Specialist Sports Facilities Grant	400,000	400,000	0	(337,800)	337,800		

Item 3- Appendix A - New projects and projects with variations in payment phasing above £100,000

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Children, Young People and Families							
Education	Kingsbury Comprehensive School - New Block	1,736,300	1,736,300	0	(171,200)	171,200	
	Minor Works 2008/09	1,133,800	1,409,400	275,600	39,400	236,200	
	Minor Works Unallocated Devolved Formula Fund	314,200	314,200	0	(215,000)	215,000	
	North Leamington Community School & Arts College	31,250,000	31,557,300	307,300	732,300	(425,000)	
	Nuneaton St Nicholas Clinic - Phase 3 Childrens Centre	280,000	334,000	54,000	(223,800)	277,800	
	Phase 3 Childrens Centres Grant 2009/10	762,900	0	(762,900)	(762,900)		
	Polesworth Platform Lift & Other Access Improvements	0	120,000	120,000	120,000		
	Rugby Paddox Primary Amalgamation	1,750,000	1,750,000	0	546,400	(538,900)	(7,500)
	Rugby Provision Of Secondary Places	5,480,000	5,170,000	(310,000)	(175,600)	(215,700)	81,300
	Rugby St Matthews Bloxham Platform Lift	0	145,000	145,000	145,000		
	School Kitchens & Dining Room Improvement Grant	0	3,362,200	3,362,200	1,905,200	1,457,000	
	Schools Access Initiative 2009/10	926,500	754,600	(171,900)	(171,900)		
	Schools Access Initiative 2010/11	985,000	807,000	(178,000)		(178,000)	
	Schools Modernisation 2010/11	0	652,000	652,000		652,000	
	Shipston Primary School - Phase 3 Childrens Centre	494,000	504,000	10,000	(435,500)	445,500	
	Stratford High School Extension	4,601,300	4,601,300	0	747,900	(700,000)	(47,900)
	Stratford Primary Places - Alveston	0	1,100,000	1,100,000	170,000	909,300	20,700
	Stratford Primary Places - The Willows	0	550,000	550,000	142,600	393,900	13,500
	Stratford Provision Of Primary Places	964,000	64,000	(900,000)	(764,700)	(135,300)	
	Stratford Thomas Jolyffe Primary School - Phase 3 Childrens Centre	452,000	495,000	43,000	(394,600)	437,600	
Temporary Classroom Replacement Programme	1,000,000	0	(1,000,000)	(230,000)	(745,500)	(24,500)	
Wellesbourne Library - Phase 3 Childrens Centre	505,000	500,000	(5,000)	(446,000)	441,000		
Wolston Library - Phase 3 Childrens Centre	168,000	168,000	0	(134,300)	134,300		
Works To Camp Hill Community Care/Family Centre and the Early Years Centre, Hollystitches Road	450,400	0	(450,400)	(450,400)			
Other	Other Changes Below £100,000	196,100,085	196,025,600	(74,485)	(235,985)	251,700	(90,200)
Total - Children, Young People and Families		274,657,485	284,039,400	9,381,915	(4,325,385)	13,761,900	(54,600)

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Customers, Workforce and Governance							
Customers, Workforce and Governance	One-Stop Shops Expansion Programme 2008/09	328,800	329,300	500	(142,200)	142,700	
	One-Stop Shops Expansion Programme 2009/10	624,000	549,000	(75,000)	(624,000)	549,000	
	Other Changes Below £100,000	1,492,300	1,563,800	71,500	(12,100)	83,600	
Total - Customers, Workforce and Governance		2,445,100	2,442,100	(3,000)	(778,300)	775,300	0

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Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Environment and Economy							
Countryside	Pooley Country Park Regeneration	333,000	333,000	0	(283,000)	283,000	
	Stratford, Seven Meadows Road Car Park	150,000	150,000	0	(150,000)	150,000	
Economic Development	Building Sustainable Neighbourhoods	2,535,000	2,535,000	0	(368,000)	368,000	
	Innovative Transport Initiative - Minitram	200,000	200,000	0	(200,000)	200,000	
	Regeneration Schemes 2007/08	598,600	598,600	0	(598,600)	598,600	
Rural Strategy	Nitrate Vulnerable Zone - Farm Waste Regulation	741,000	741,000	0	(550,000)	550,000	
	Refurbishment Of Griff Gypsy & Traveller 'Settled' Site	3,192,100	3,192,100	0	(2,654,000)	2,654,000	
	Replacements Dairy Units Rural Estates	480,000	480,000	0	(100,000)	100,000	
Waste Management	Replacement Collection Vehicles	839,000	839,000	0	(147,500)	147,500	
	Waste Capital Infrastructure Grant	1,665,000	1,665,000	0	(773,800)	774,000	
	Waste Strategy Implementation - District Support	1,948,100	1,948,100	0	(230,000)	230,000	
Transport - Community Safety	Streetlighting Base Programme 2009/10	550,000	710,000	160,000	160,000		
Transport - Developer	A426 Leicester Road, Rugby	1,966,000	1,966,000	0	(1,853,600)	1,853,600	
	B439 Bidford-On-Avon Crabtree Garden Centre	0	250,000	250,000		250,000	
	Bedworth, Black Horse Road - Phase 2 Of New Junction	245,000	0	(245,000)	(245,000)		
	Blackhorse Road/Ironbridge Way, Bedworth	0	510,000	510,000		510,000	
	Heathcote Offsite Junction Improvements	2,945,000	2,969,000	24,000	(513,300)	537,300	
	Leamington, Junction Alterations At Former Potterton Works	400,000	400,000	0	(400,000)	400,000	
	Mill Road, Rugby	0	800,000	800,000		800,000	
	Rugby, Lawford Road	460,000	0	(460,000)	(435,000)	(25,000)	
	Ryton, A423 Pro Logis Park Devel Roundabout For Access	932,000	932,000	0	(907,000)	907,000	
	South West Warwick Fisher Brook Flood Alleviation Scheme	1,150,000	1,150,000	0	(1,150,000)	1,150,000	
	Stratford, Warwick Road- Access/Leisure Centre Link	635,700	635,700	0	(466,500)	466,500	
	Warwick Town Center - Interim Traffic Management Schemes	603,400	88,600	(514,800)	(514,800)		
	Warwick Town Centre Traffic Management	150,000	444,400	294,400		294,400	
	Warwick, Emscote Lawn - Highways/Traffic/Cycleway	285,700	285,700	0	(125,600)	125,600	
Transport - Integrated	Aylesford School - Woodloes Park Cycle Route Phase 2	110,000	110,000	0	(108,100)	108,100	
	Casualty Reduction Schemes 2010/11	1,000,000	800,000	(200,000)		(200,000)	
	Coleshill Road Junction with Nuneaton Road - Signal	120,000	0	(120,000)	(100,000)	(20,000)	
	Crossings Facilities 2010/11	200,000	0	(200,000)		(200,000)	
	Decriminalisation - Nuneaton and Bedworth	502,700	502,800	100		491,500	(491,500)
	Hatton, Station Car Park Extension	0	180,000	180,000	35,000	145,000	
	Implementation Of Speed Reviews	1,070,000	800,000	(270,000)	(270,000)		
	Integrated Transport 2009/10	(1,732,400)	0	1,732,400	921,400		811,000
	Integrated Transport 2010/11	723,000	0	(723,000)		(723,000)	
	Kenilworth Connect2	755,000	540,000	(215,000)	(64,000)	60,000	(211,000)
	Leamington - Shires Retail Park Access Improvements	200,000	170,000	(30,000)	70,000	(100,000)	
Minor Casualty Reduction Schemes 2009/10	709,000	363,000	(346,000)	(346,000)			

Item 3- Appendix A - New projects and projects with variations in payment phasing above £100,000

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Environment and Economy							
Transport - Integrated	Minor Signalised Crossings Schemes 2009/10	307,000	197,300	(109,700)	(109,700)		
	Rugby Clifton Road / Railway Terrace Upgrade Signal	110,000	110,000	0	(100,000)	100,000	
	Rugby Direction Signs Review	200,000	200,000	0	150,000	(150,000)	
	Rugby Town Centre Improvements	800,000	1,100	(798,900)	(73,900)	(125,000)	(600,000)
	Rugby, Lawford Road Cycleway	230,000	230,000	0	(131,500)	131,500	
	Safer Routes To School 2010/11	600,000	119,400	(480,600)		(480,600)	
	Safety Camera Funded Schemes 2007/08	1,179,700	1,179,800	100	(211,300)	211,300	
	Stratford Waterside / Southern Lane	1,903,000	1,903,000	0	(920,000)	920,000	
	Traffic Management / Congestion 2010/11	500,000	159,900	(340,100)		(340,100)	
	Walking & Cycling 2010/11	100,000	0	(100,000)		(100,000)	
	Warwick, Myton Road Cycle Link (Myton & Warwick School)	0	150,000	150,000	50,000	100,000	
	Warwick-Leamington Cycleway	400,000	30,000	(370,000)	(120,000)	(250,000)	
	Warwickshire Quality Rail Partnership 2010/11	480,000	130,000	(350,000)		(350,000)	
Transport - Major	Coleshill Multi Modal Interchange	7,228,000	7,633,100	405,100	405,200		
	Nuneaton Major Project Phases 1 & 2	6,541,200	6,541,200	0	(257,000)	257,000	
	Rugby Western Relief Road	42,900,000	55,000,200	12,100,200	8,663,900	2,158,300	1,278,000
Transport - Structural Maintenance of Bridges	Harbury Station Bridge Approach	110,000	110,000	0	(110,000)	110,000	
	Wolfhampcote Bridge Infill	150,000	148,000	(2,000)	(141,000)	139,000	
	Portobello Bridge Warwick	1,040,400	238,300	(802,100)	(399,100)	(403,000)	
	Road Over Rail Approach Safety 2009/2010	100,000	110,000	10,000	(100,000)	110,000	
	Rugby, Black Path Footbridge	750,000	858,300	108,300	108,300		
	Spernal Bridge	770,600	732,600	(38,000)	(206,000)	168,000	
	Structural Maintenance Of Bridges 2009/10	1,094,200	744,900	(349,300)	(349,300)		
	Structural Maintenance Of Bridges 2010/11	2,801,000	1,291,000	(1,510,000)		(1,510,000)	
Transport - Structural Maintenance of Roads	A435 At Studley	205,000	325,000	120,000	120,000		
	Highways Maintenance - Improvement & Safety 2009/10 - North Warwickshire Area Committee	440,000	439,900	(100)	(144,600)	144,500	
	Highways Maintenance - LTP And Base Programme 2009/10	8,091,500	7,560,400	(531,100)	(826,100)	295,000	
	Highways Maintenance - LTP And Base Programme 2010/11	8,527,000	7,327,000	(1,200,000)		(1,200,000)	
Other	Other Changes Below £100,000	156,662,930	156,661,800	(1,130)	(574,530)	573,400	
Total - Environment and Economy		270,883,430	277,421,200	6,537,770	(7,644,030)	13,395,400	786,500

Item 3- Appendix A - New projects and projects with variations in payment phasing above £100,000

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Fire and Rescue							
Fire and Rescue	Changes Below £100,000	3,930,500	3,957,300	26,800	14,800	11,900	
Total - Fire and Rescue		3,930,500	3,957,300	26,800	14,800	11,900	0

Service	Project	Total Estimated Project Cost			Changes in payment phasing		
		Previous estimate (£)	Latest estimate (£)	Variance (£)	2009/10	2010/11	2011/12 onwards
Resources							
Building and Construction	Improve Customer Experience In County Buildings & DDA Works 2008/09	909,400	667,000	(242,400)	(804,100)	561,700	
	Improve Customer Experience In County Buildings & DDA Works 2009/10	885,300	635,900	(249,400)	(219,700)	(29,700)	
	Northgate House - Conversion To Learning Facility	1,571,000	1,782,200	211,200	221,700	(10,500)	
	Refurbish / Redevelop Office Space In Shire Hall	1,500,000	1,450,000	(50,000)	(371,700)	(178,300)	500,000
	Warwick Northgate House - Solar Thermal	100,000	0	(100,000)	(100,000)		
Finance, ICT and Other	Financial Systems Replacement	1,270,000	1,270,000	0	(328,000)	338,000	(10,000)
	Infrastructure E Government 2009/10	450,000	300,000	(150,000)	(150,000)		
	Schools Cashless Catering Provision	400,000	400,000	0	(200,000)	200,000	
Structural Maintenance	Major Structural Maintenance - Base Programme 2009/10	1,616,500	1,605,000	(11,500)	(358,000)	346,500	
Other	Other Changes Below £100,000	49,713,300	49,630,458	(82,842)	(50,842)	(32,000)	
Total - Resources		58,415,500	57,740,558	(674,942)	(2,360,642)	1,195,700	490,000
Total Capital Programme		619,638,515	639,432,458	19,793,943	(15,305,257)	33,877,300	1,221,900

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Adult, Health and Community Services						
New Projects						
Libraries, Learning and Culture	Market Hall - Improving the Customer Experience	-	46,000	46,000	-	<p>These three schemes are funded from the Resources Directorate allocation for Improving the Customer Experience in County Council Buildings. The schemes are shown separately in order that members can approve the virement to Adults, Health and Community Services. The funding will be used as follows;</p> <p>Market Hall - The funding will allow for improved access to the Market Hall Museum for the mobility impaired and to refurbish the temporary exhibition gallery.</p> <p>Market Hall - Under 5s - The funding will enable the redevelopment of a small area at St.John's House Museum aimed specifically at the under 5's, in partnership with Warwickshire Early Years Team.</p> <p>Libraries - The funding will be used for the following schemes:</p> <ul style="list-style-type: none"> - Bulkington Library - Community space; - Rugby Library - Public access improvements; - Stratford Library - Lift into the upstairs room; - Wi-Fi Connectivity to all Libraries; - Kenilworth Library - Community facilities; - Library Vending.
	Market Hall - Improving the Customer Experience - Under 5s	-	25,000	25,000	-	
	Improving The Customer Experience - Libraries	-	183,000	183,000	-	
Projects approved by Cabinet since the previous review						
Adult Social Care	Transfer Of Social Care Responsibility For Adults With A Learning Disability	-	4,325,000	4,325,000	-	Approved by Cabinet 9 July 2009 and by Council on 8 September 2009.
Variances on existing projects						
Libraries, Learning and Culture	Relocation Of Hartshill Trailer Library Service	60,400	33,800	(26,600)	(44)%	An element of the budget for the first two schemes related to Radio Frequency Identification (RFID). All RFID works will now be carried out under the RFID scheme. The variations on these schemes are a movement of budget to enable this.
	Camp Hill Community Buildings Project	105,000	76,800	(28,200)	(27)%	
	Libraries Radio Frequency Identification	800,000	854,800	54,800	7%	
Adult Social Care	Premises and Accommodation Small Scale Reactive Works - Base Programme 2009/10	110,000	125,900	15,900	14%	The underspend on the Warwick / Leamington Office Rationalisation and Replacement scheme has been returned to the block allocation pending re-allocation to specific schemes.
	Warwick / Leamington Office Rationalisation and Replacement	208,100	192,200	(15,900)	(8)%	

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Children, Young People and Families						
New Projects						
Education	Stratford Primary Places - The Willows	-	550,000	550,000	-	These schemes are funded from a block allocation for increasing the number of Primary School places in Stratford. They have been reported separately at this review because the total costs are expected to exceed £100,000.
	Stratford Primary Places - Alveston	-	1,100,000	1,100,000	-	
	George Eliot Lift	-	140,000	140,000	-	This scheme is funded from the Schools Access Initiative block allocation, but has been reported separately as the total costs are planned to exceed £100,000.
	Education Capital - Earmarked Capital Receipts	-	9,121,000	9,121,000	-	Refer to paragraph 4.6
	Education Capital - Unallocated	-	28,000	28,000	-	Refer to paragraph 4.5
Projects approved by Cabinet since the previous review						
Education	Bishops Itchington Primary School and Childrens Centre Outreach Refurbishment	-	180,000	180,000	-	Approved by Cabinet 29 January 2009
	Alcester - Our Ladys Catholic Primary School	-	250,000	250,000	-	Approved by Cabinet 10 September 2009
	Claverdon Village Nursery - Extension	-	110,000	110,000	-	Approved by Cabinet 10 September 2009
	Rugby St Matthews Bloxham Platform Lift	-	145,000	145,000	-	Approved by Cabinet 10 September 2009
	Polesworth Platform Lift and Other Access Improvements	-	120,000	120,000	-	Approved by Cabinet 10 September 2009
	School Kitchens and Dining Room Improvement Grant	-	3,362,200	3,362,200	-	Approved by Council 15 December 2009
Variances on existing projects						
Education	North Leamington Community School and Arts College	31,250,000	31,557,300	307,300	1%	Causes of the increase include: (1) Items included in the contract works to be funded by the school (fencing, sports equipment, theatre equipment, cycle shelter = £56,000), (2) Additional fees for the school based project manager (£136,000), (3) Additional furniture requirements (£11,000), (4) Increase in ICT costs (£102,000), (5) Additional planning conditions requiring works outside of the school site. The school will meet the cost of the works requested by them. S106 funds (£180,000) are available to be added to the scheme; other CYPF funds have been made available to cover the balance in the interim until the North Leamington Project board are able to meet and discuss the final funding arrangements. It is likely that the shortfall will ultimately be met from capital receipts for either the Binswood or main school sites.
	Extended Schools 2009/10	879,900	786,300	(93,600)	(11)%	Funding from these allocations has been transferred to the extended services aspects of the new schemes at The Willows and Alveston primary schools (listed above)
	Extended Schools 2008/09	400,400	76,000	(324,400)	(81)%	
	Harnessing Technology Grant 2008/09	2,469,200	872,600	(1,596,600)	(65)%	This funding has been allocated to individual schools.
	Basic Need Schemes 2009/10	0	306,500	306,500	-	Basic need funding has been released from Stratford Primary Schools Places schemes by the addition of extended schools funding, and section 106 contributions.

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Education	Basic Need Schemes 2010/11	1,259,500	1,550,400	290,900	23%	Basic need funding has been released from Stratford Primary Schools Places schemes by the addition of extended schools funding, and section 106 contributions.
	Devolved School Level Budgets 2009/10	15,474,500	14,212,200	(1,262,300)	(8)%	Reduction relates to the allocation of school match funding to the Kitchen and Dining room improvement grant (as approved by Council on 15 December 2009)
	Stratford Provision Of Primary Places	964,000	64,000	(900,000)	(93)%	Funding has now been allocated to specific schemes (The Willows and Alveston - listed above), the remaining will go towards further Stratford Primary places schemes to be identified in the Directorate's capital programme.
	Rugby - Harris Secondary School Extension	5,480,000	5,170,000	(310,000)	(6)%	The first phase of this scheme, the Design and Technology Block, was managed by the school directly and has been paid for by a revenue developer contribution. Capital expenditure of £310,000 relating to this element of the project will be recorded in the school's accounts and is therefore no longer part of our capital programme.
	Temporary Classroom Replacement Programme	1,000,000	0	(1,000,000)	(100)%	Funding now allocated to specific schemes (The Willows and Alveston - listed above)
	Works To Camp Hill Community Care/Family Centre and The Earlyyears Centre, Hollystitches Road	450,400	0	(450,400)	(100)%	This reduction was reported to Cabinet 10 September 2009.
	Coleshill Primary School Phase 3 Childrens Centre	452,000	492,600	40,600	9%	Q1 budget was based on initial outline drawings done as part of the feasibility exercise. As the programme has progressed detailed plans have been drawn and more accurate costings have been produced as a result, refining the specific plans of the scheme before going out to tender.
	Nuneaton St Nicholas Clinic Phase 3 Childrens Centre	280,000	334,000	54,000	19%	Q1 budget was based on initial outline drawings done as part of the feasibility exercise. As the programme has progressed detailed plans have been drawn and more accurate costings have been produced as a result, refining the specific plans of the scheme before going out to tender.
	Stratford Thomas Jolyffe Primary School - Phase 3 Childrens Centre	452,000	495,000	43,000	10%	Q1 budget was based on initial outline drawings done as part of the feasibility exercise. As the programme has progressed detailed plans have been drawn and more accurate costings have been produced as a result, refining the specific plans of the scheme before going out to tender.
	Dunchurch Library - Phase 3 Childrens Centre	255,000	0	(255,000)	(100)%	The phase 3 Children's Centre due to be developed at Dunchurch Library has now been aborted. Instead the Children's Centre will be developed on the site of Bawnmore Infant School.
	Bawnmore Infant School - Phase 3 Childrens Centre	0	150,000	150,000	-	
	Minor Works 2008/09	1,133,800	1,409,400	275,600	24%	A number of small S106 allocations for schools have been passed to the schools through this block allocation for spending at school level.
	Schools Access Initiative 2008/09	1,221,000	1,277,000	56,000	5%	The increased cost of this scheme was reported to Cabinet 10 September 2009
	Schools Modernisation 2010/11	0	652,000	652,000	100%	This represents the surplus from minor variances elsewhere in the Modernisation programme as well as funding released from the Avon Valley scheme due to the reduced final position reported previously.
	Phase 3 Childrens Centres Grant 2009/10	762,900	0	(762,900)	(100)%	Funding has now been allocated to specific schemes.
Early Years Childcare Grant 2009/10	1,963,200	1,745,900	(217,300)	(11)%	Funding has now been allocated to specific schemes.	

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Customers, Workforce and Governance						
Projects approved by Cabinet since the previous review						
CWG	Leamington Spa - Riverside House One Stop Shop	-	50,000	50,000	-	New schemes approved at Cabinet 10 September 2009
	Rugby - Town Hall One Stop Shop	-	25,000	25,000	-	
Variations on existing projects						
CWG	One-Stop Shops Expansion Programme 2009/10	624,000	549,000	(75,000)	(12)%	Reduction is to fund the two new schemes approved by Cabinet, identified above.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Fire and Rescue						
Variations on existing projects						
Fire and Rescue	Block Allocation For Fire and Rescue Service	135,000	162,200	27,200	20%	The block allocation for Fire and Rescue and the Female Changing Facilities are a combined project resulting in a net increase of £6,500. The increase results from an allocation of £11,000 from Resources to conduct Disability Access work, and reduced costs elsewhere of £4,500.
	Female Changing Facilities 2004/05	116,000	95,300	(20,700)	(18)%	

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Environment and Economy						
New Projects						
Transport - Integrated	Hatton, Station Car Park Extension	-	180,000	180,000	-	These schemes were previously part of block allocations but have now been reported separately as they are expected to cost in excess of £100,000.
	Warwick, Myton Rd Cycle Link (Myton and Warwick School)	-	150,000	150,000	-	
Projects approved by Cabinet since the previous review						
Transport - Developer	Kingsbury, Kingsbury Mill Footway and Carriageway	-	95,000	95,000	-	Approved by Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) on 18 September 2009
	Mill Road, Rugby	-	800,000	800,000	-	Approved by Cabinet 15 October 2009
	Blackhorse Road/Ironbridge Way, Bedworth	-	510,000	510,000	-	Approved by Cabinet 15 October 2009
	B439 Bidford-On-Avon Crabtree Garden Centre	-	250,000	250,000	-	Approved by Cabinet 15 October 2009
Variances on existing projects						
Rural Strategy	Famington Farm - Relocation Of Buildings	125,000	156,000	31,000	25%	Approved by Cabinet 15 October 2009
Transport - Community Safety	Streetlighting Base Programme 2009/10	550,000	710,000	160,000	29%	Cost increase reported to Cabinet 26 November 2009
Transport - Developer	Rugby, Lawford Road	460,000	0	(460,000)	(100)%	Scheme abandoned - developer in administration.
	Warwick Town Centre Traffic Management	150,000	444,000	294,000	196%	When original budget estimate was set, it was envisaged that we would receive a reduced amount of developer contribution as a result of the economic downturn. The actual amount received was higher than anticipated.
Transport - Integrated	A444 Weddington - Nuneaton Cycle Route	140,400	171,700	31,300	22%	A Stage 3 Road Safety Audit undertaken post construction highlighted a previously unforeseen safety issue. Remedial works have been required.
	Attleborough - George Eliot Hospital - Bermuda Park Cycle Route	220,000	260,600	40,600	18%	The budget at Quarter 1 did not reflect expenditure incurred in prior years which has now been included in the overall budget for the scheme. Expenditure incurred in 2008/09 and 2009/10 did not exceed the amount planned when setting the budget for the scheme.
	Rugby - Lower Hillmorton Bus Corridor Enhancements	155,900	176,000	20,100	13%	Now includes the delivery of the Lower Hillmorton – Rugby Town Centre QBC Extension Scheme in 2009/10 (Design and Consultation Phase Only) - involving the enhancement of 11 Bus Stops. The Construction and Site Management Phase will be completed in 2010/11.
	Rugby-Binley-Coventry Inter-Urban Quality Bus Corridor	75,000	113,200	38,200	51%	The actual costs in relation to delivering the scheme were higher than anticipated. Additional staff costs were incurred for aspects of design, consultation and the site management of construction works following extended consultation with councillors and members of the public.
	Village Speed Reviews 2005/2006	851,100	886,400	35,300	4%	Cost increase reported to Cabinet 26 November 2009.

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Transport - Integrated	Integrated Transport 2009/10	(1,732,400)	0	1,732,400	(100)%	Overprogramming of integrated transport programme now allocated to specific schemes
	Implementation Of Speed Reviews	1,070,000	800,000	(270,000)	(25)%	Scheme completed under budget estimate as a result of using internal staff and existing contracts where possible
	Warwickshire Quality Rail Partnership 2008/09	132,500	157,200	24,700	19%	Cost increase reported to Cabinet 26 November 2009
	Warwick-Leamington Cycleway	400,000	30,000	(370,000)	(93)%	Schemes deferred as a result of pressures elsewhere within the transport programme.
	Rugby Town Centre Improvements	800,000	1,100	(798,900)	(100)%	
	Kenilworth Connect2	755,000	514,000	(241,000)	(32)%	2011/2012 works expenditure removed from programme until resources can be confirmed.
	Integrated Transport 2010/11	723,000	0	(723,000)	(100)%	Reductions are as a result of pressures elsewhere within the transport programme.
	Minor Casualty Reduction Schemes 2008/09 and 2009/10	1,275,700	976,800	(298,900)	(23)%	
	Casualty Reduction Schemes 2010/11	1,000,000	800,000	(200,000)	(20)%	
	Warwickshire Quality Rail Partnership 2010/11	480,000	130,000	(350,000)	(73)%	
	Traffic Management/Congestion 2010/11	500,000	159,900	(340,100)	(68)%	
	Crossings Facilities 2010/11	200,000	0	(200,000)	(100)%	
Safer Routes To School 2010/11	600,000	119,400	(480,600)	(80)%		
Transport - Major	Rugby Western Relief Road	42,900,000	55,000,200	12,100,200	28%	Cost increase reported to Cabinet 15 October 2009
	Colehill Multi Modal Interchange	7,228,000	7,633,100	405,100	6%	Cost increase reported to Cabinet 26 November 2009

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Transport - Structural Maintenance of Bridges	Portobello Bridge Warwick	1,040,400	238,300	(802,100)	(77)%	2011/2012 works expenditure removed from programme until resources can be confirmed
	Rugby, Black Path Footbridge	750,000	858,300	108,300	14%	Cost increase to £814,300 reported to Cabinet 26 November 2009. Additional expenditure to be incurred on landscaping and CCTV cameras.
	A425 Nimrod Canal Bridge and Shuckborough	350,000	406,000	56,000	16%	Additional work was required to break out unknown concrete below the road surface. The number of ground anchors had to be increased because of poor ground conditions.
	Other Road Over Rail Bridge Safety Schemes 2004/2005	447,800	512,300	64,500	14%	Cost increase reported to Cabinet 26 November 2009.
	Structural Maintenance Of Bridges 2008/09	947,300	1,035,800	88,500	9%	Cost increase reported to Cabinet 26 November 2009.
	Structural Maintenance Of Bridges 2009/10	1,094,200	744,900	(349,300)	(32)%	Reductions are as a result of pressures elsewhere within the transport programme.
	Structural Maintenance Of Bridges 2010/11	2,801,000	1,291,000	(1,510,000)	(54)%	
Transport - Structural Maintenance of Roads	Leamington Spa, Sydenham Drive	115,000	161,300	46,300	40%	Cost increase reported to Cabinet 26 November 2009.
	A435 At Studley	205,000	325,000	120,000	59%	Scope of works increased following site investigations.
	Warwick, Millers Road	170,000	191,400	21,400	13%	The need for extra work was identified after work on the scheme commenced.
	Long Marston, Campden Road	185,000	207,700	22,700	12%	Change in specification of surfacing material (superior surfacing material trialled on this site) have resulted in increased estimated costs
	Structural Maintenance Of Roads 2006/07	5,152,100	5,177,700	25,600	0%	Cost increase reported to Cabinet 26 November 2009.
	Highways Maince - LTP and Base Programme 2009/10	8,091,500	7,560,400	(531,100)	(7)%	Reductions are as a result of pressures elsewhere within the transport programme.
	Highways Maince - LTP and Base Programme 2010/11	8,527,000	7,327,000	(1,200,000)	(14)%	
	Highways Maince - Improvement and Safety 2008/09 - Warwick Area Committee	401,100	441,200	40,100	10%	An allocation of £40,000 from this budget to Warwick Town Centre Street by Street Measures has been replaced by developer contributions. The original allocation has now returned to this scheme.

Item 3 Appendix B - Projects with increases above tolerances set in Financial Standing Orders and reductions of £200,000 or more.

Service	Project	Total Estimated Project Cost				Commentary
		Previous estimate (£)	Latest estimate (£)	Variance (£)	% Increase on Previous Estimate	
Resources						
New Projects						
Building and Construction	Nuneaton and Bedworth Registrars Office- Alterations/Refurbishment	-	92,000	92,000	-	This scheme was originally part of the allocation for Improving the Customer Experience in County Council Buildings, below, but has now been reported as a separate scheme.
Variances on existing projects						
Building and Construction	Warwick County Museum (Market Hall) - DDA Improvements	265,900	304,400	38,500	14%	Additional costs due to work required to repair crumbling stone, repair rotten radiators, comply with security requirements and replace fragile glazing.
	Northgate House - Conversion To Learning Facility	1,571,000	1,782,200	211,200	13%	The increased costs in converting Northgate House have arisen as follows: 1. Climate change work to the value of £27,000 has been carried out at Northgate House, funding from which has been transferred from the Climate Change Allocation. 2. The project for £100,000 Solar Thermal work at Northgate House has been merged with this scheme and funding transferred to match. 3. Considerable work has been involved in achieving Listed Building Consent which involved redesign and re-submission of the Planning Application. During the demolition and alteration works significant items of defective and unresolved maintenance have been discovered and whilst these have to date been contained within the contract sum the limit has now been reached. Together, these resulted in an additional cost of £84,200.
	Wark Shire Hall Offices - Alterations To 1958 Block	463,100	523,500	60,400	13%	Additional works required to the second floor including additional asbestos removal and backlog fire stopping resulted in an increased cost of £60,400 to be met from the underspend in the Major Structural Works to Shire Hall Complex allocation.
	Improve Customer Experience In County Council Buildings and DDA Works 2008/09	909,400	667,000	(242,400)	(27)%	These reductions result from the allocation of Improving the Customer Experience and DDA work funds to individual schemes in Resources and in Other Directorates.
	Improve Customer Experience In County Council Buildings and DDA Works 2009/10	931,300	635,900	(295,400)	(32)%	
Finance, ICT and Other	Organisational Development	100,000	151,900	51,900	52%	Cost increase reported to Cabinet 26 November 2009.