

## BARNESLEY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

Report of the Director of  
Finance, Assets and IT

### CAPITAL PROGRAMME PERFORMANCE – YEAR ENDED 31 MARCH 2016

#### 1. Purpose of the Report

To consider the performance of the Council's Capital Programme for the year ended 31<sup>st</sup> March 2016.

#### 2. Recommendations

It is recommended that Cabinet:

- Note the final position of the 2015/16 Capital Programme;
- Receive an updated 2016/17 Capital Programme position (as part of the Quarter 1 monitoring report);
- Approve the Bin Replacement Programme scheme as outlined in paragraph 3.10, to be funded from prudential borrowing.

#### 3. Capital Programme Monitoring Position - By Directorate

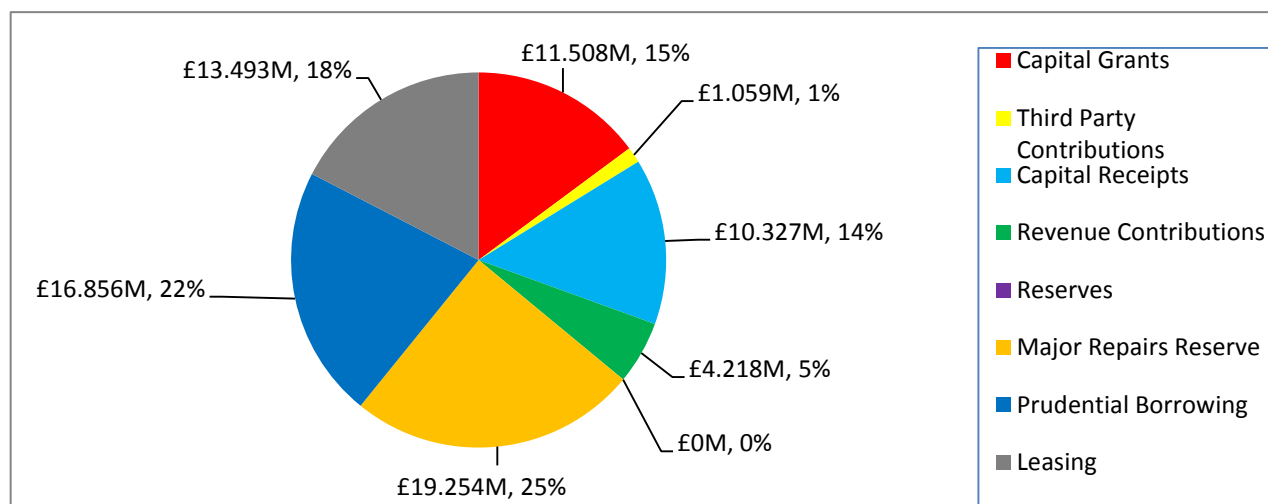
3.1. The table below summarises the position of the 2015/16 Capital Programme as at 31<sup>st</sup> March 2016. Appendix A provides a breakdown of this position by scheme.

<u>Directorate</u>	<b>2015/16 Capital Programme £M</b>	<b>2015/16 Outturn £M</b>	<b>2015/16 Variance £M</b>
People	5.398	3.511	(1.887)
Place	45.025	39.346	(5.679)
Communities	1.732	1.340	(0.392)
Finance, Assets & IT	14.415	7.427	(6.988)
Housing Revenue Account	24.158	25.091	0.933
<b>Total</b>	<b>90.728</b>	<b>76.715</b>	<b>(14.013)</b>

3.2. The table below summarises the resources used to fund the 2015/16 Capital Programme. It should be noted that this funding only relates to direct Council expenditure (or where the Council acts as the Accountable Body). A number of schemes also lever in private and public sector match funding but this is not reflected below unless the Council incurs expenditure.

<u>Funding Source</u>	<b>2015/16 £M</b>
Capital Grants	11.508
Third Party Contributions (Inc. S106)	1.059
Capital Receipts	10.327
Revenue Contributions	4.218
Reserves	-
Major Repairs Reserve	19.254
Prudential Borrowing	16.856
Leasing	13.493
<b>Total</b>	<b>76.715</b>

3.3. The pie chart below is a graphical representation of the table above.



3.4. The table below summarises the reasons for the overall 2015/16 variance. Any significant variances are explained in more detail in paragraphs 3.6 – 3.8.

<b>Directorate</b>	<b>Slippage £M</b>	<b>Re-phasing £M</b>	<b>Increase/ (Decrease) in Scheme Costs £M</b>	<b>Total £M</b>
People	(1.394)	(0.145)	(0.348)	(1.887)
Place	(7.032)	1.019	0.334	(5.679)
Communities	(0.403)	0.012	(0.001)	(0.392)
Finance, Assets & IS	(7.149)	-	0.161	(6.988)
Housing Revenue Account	(1.004)	1.972	(0.035)	0.933
<b>Total</b>	<b>(16.982)</b>	<b>2.858</b>	<b>0.111</b>	<b>(14.013)</b>

3.5. The overall variance is predominately a result of scheme slippage within the Place and Finance, Assets & IT Directorates respectively.

3.6. **Slippage**

Of the variation in expenditure against approved plans, -£16.982M relates to scheme slippage (where expenditure plans are expected to be utilised in a future year rather than the current year, due to events outside the control of the respective project managers). The slippage position is currently being reviewed by finance officers in conjunction with service officers although at this stage there are not expected to be any financial implications in terms of the overall capital programme. The schemes that have significantly slipped (over £0.5M) are detailed below:

**People: Thurlstone Primary – Extra Classroom Capacity (-£0.522M)**

Following detailed design work and ground investigation works, it was necessary to delay the scheme until site ‘abnormals’ were dealt with. A World War II Stanton air raid shelter was discovered on the playing field, under what was to be a new classroom. As the condition and extent of this works was unknown, it was decided to deal with removing this element as a separate scheme and delay the main scheme until it could be progressed without hindrance.

Place: Housing Market Renewal (HMR) (-£1.428M)

This relates to the Beever Street scheme which has just received Cabinet approval to progress the Compulsory Purchase Order (CPO). As such, the money is still required and just needs to be re-profiled. Spend to date has only included one acquisition and some security and clearance activity for the empties. When the scheme was approved it was hoped premises would be acquired via negotiation, but this hasn't been possible hence a delay in any significant spend.

Finance, Assets & IT: Town Centre Redevelopment (-£6.397M)

This is in part due to the late appointment of the main contractor (February 2016) and the subsequent delayed payment. However the scheme is on track to meet original programme timescales. The budget will be slipped into 2016/17.

Various: Others (-£8.635M)

A significant number of other schemes have reported slippage of less than £0.5M (individually) in 2015/16, totalling £8.635M. Appendix B identifies these schemes separately.

3.7. **Re-phasing**

An amount totalling £2.858M relates to net scheme re-phasing (where schemes are now due to complete in a different financial year to the year in which it was originally planned due to actions of project leads). There are no financial implications in terms of the overall capital programme. The schemes that have been significantly re-phased (over £0.5M) are detailed below:

Place: LED Street Lighting Replacements (£0.759M)

This variance is due to the acceleration of works in 2015/16. The cost of these additional works will be deducted from next year's budget; as a result there are no implications on the Authority's resources.

HRA: New Build - Roy Kilner Road (£0.603M)

The newly appointed contractor progressed more quickly than anticipated once on site, and weather conditions were also better than anticipated in the early part of the year allowing construction of the shell to proceed more quickly.

Various: Others (£1.496M)

A number of other schemes have reported re-phasing of less than £0.5M (individually) in 2015/16, totalling £1.496M. Appendix B identifies these schemes separately.

3.8. **Variation in Costs**

The remaining £0.111M relates to a net increase in expenditure across a number of schemes as a result of cost variations. The significant scheme variations (over £0.1M) are shown below:

Finance, Assets & IT: BSF Capital Contribution Variations (£0.108M)

This scheme relates to contract variations within the Authority's BSF schools contract. The pattern of expenditure is difficult to predict as it's driven by the schools themselves. The schools themselves contribute to the cost of these variations, which means that there are no implications on the Authority's resources as a result.

### HRA: 15/16 BHS Worsbrough Dale Construction Services (£0.180M)

This variation in costs is due to a higher than expected number of elemental failures in individual properties, some properties being added in and the refurbishment and conversion of an ex community facility into a lettable property which included extensive remedial works to the property grounds. It also relates to extensive asbestos removal to selected properties (including decant of resident) and a higher number than expected of properties identified as being suitable for Air Source Heat Pump installations. Increase in funding to be contained within the 15/16 BHS funding allocation.

### Various: Others (-£0.177M)

A number of other schemes have reported a net reduction in expenditure of less than £0.1M (individually), totalling £0.177M. Appendix B identifies these schemes separately.

3.9. The funding assigned to the decrease in individual scheme costs can be analysed as follows:

	<b>Total £M</b>
<b>Reported Variance as at 31<sup>st</sup> March</b>	<b>(1.030)</b>
Funding Restricted to Specific Schemes / Areas	<b>(0.857)</b>
Funding Fallout	<b>(0.173)</b>
<b>Total</b>	<b>(1.030)</b>

### **New Approvals**

3.10. The Council's Capital Programme is updated for the approved changes outlined in this and previous monitoring reports as well as any individual capital reports submitted into Cabinet for approval. However one specific approval required in this report is to approve the Bin Replacement Programme of £0.339M into the Council's 2015/16 Capital Programme. This has been a known requirement during the year but the method of financing this spend between borrowing and leasing was only recently determined. As it was decided that borrowing was the best method of financing, this required the scheme to be part of the capital programme hence the late approval request.

### **Future Years**

3.11. The table below summarises the **indicative** position of the 2016/17 to 2019/20 Capital Programme. Appendix C provides a breakdown of this position by scheme.

<u><b>Directorate</b></u>	<b>2016/17 Indicative Capital Programme £M</b>	<b>2017/18 Indicative Capital Programme £M</b>	<b>2018/19 Indicative Capital Programme £M</b>	<b>2019/20 Indicative Capital Programme £M</b>	<b>Total Indicative Future Years' Capital Programme £M</b>
People	6.735	4.448	-	-	11.183
Place	28.026	1.111	6.343	-	35.480
Communities	3.903	-	-	-	3.903
Finance, Assets & IT	24.207	18.954	-	-	43.161
Housing Revenue Account	39.478	27.972	25.197	42.962	135.609
<b>Total</b>	<b>102.349</b>	<b>52.485</b>	<b>31.540</b>	<b>42.962</b>	<b>229.336</b>

- 3.12. The future years' plans include the anticipated slippage/roll forward position from the finalised 2015/16 position.
- 3.13. The capital programme for 2016/17 and beyond is being reviewed both by finance and budget managers. The existing capital programme broadly reflects the Council's capital requirement but a more detailed analysis will be undertaken to determine that slipped resources are still required in full.

#### 4. Unallocated Resources

- 4.1. There is a balance of resources totalling £30.113M, the majority of which is ring-fenced as to how it can be spent. Members should note the distinction between resources 'in the bank' in 2015/16 and indicative allocations that haven't yet been aligned to specific schemes. These allocations are due to be received in future years but are indicatively built into the programme, and are subject to change.
- 4.2. The unallocated resources position is analysed in the table below:

	Directorate	2016/17 £M	Later Years (Indicative) £M	Total £M
<u>Restricted / Earmarked</u>				
Highways Grants/Planned Maintenance	Place	9.361	17.224	<b>26.585</b>
Section 106 Monies	Place	1.928	-	<b>1.928</b>
HRA Revenue Contributions	HRA	-	0.312	<b>0.312</b>
Schools Grants	People	0.262	-	<b>0.262</b>
Other		0.545	0.026	<b>0.571</b>
		<b>12.096</b>	<b>17.562</b>	<b>29.658</b>
<u>Unrestricted</u>				
Community Kiosks / Library Grant	Communities	0.455	-	0.455
		<b>0.455</b>	-	<b>0.455</b>
<b>Total</b>		<b>12.551</b>	<b>17.562</b>	<b>30.113</b>

- 4.3. Of the £30.113M unallocated resources, £26.585M was added in October following approval of the Highways Capital Programme Report (Cab.7.10.2015/8). This is indicative funding which has not yet been assigned to specific schemes. The Highways Asset Management Strategy, also approved by Cabinet in October (Cab.7.10.2015/7) will identify the programme of schemes to be delivered through these funds. Short, medium and long term work programmes will be available in 2016/17.
- 4.4. The £0.455M Communities Grant referred to in paragraph 4.2 was reported to Cabinet in the Quarter 1 Capital Programme report (Cab 9.9.2015/8). These resources have been provisionally earmarked for new ICT equipment for the new Town Centre Library. A formal report will be compiled for consideration in due course.
- 4.5. A more detailed review of the 2016/17 Capital Programme will be carried out by the Capital 'Oversight' Board and submitted to Cabinet as part of the Quarter 1 monitoring report. Any unrestricted resources will be considered as part of the update on the strategic reserves strategy.

## 5. Capital Programme Monitoring Position - By Corporate Priority / Outcome

- 5.1. The table below provides an analysis of the capital plans within the Council's 2015/16 capital programme, identifying the capital resources that are aligned to achieving the Council's 3 main Corporate Priorities and the 12 front facing outcomes. Any performance issues arising from the capital schemes assigned to each Corporate Priority are discussed within each relevant outcome section with material items referenced in the Corporate Performance Report. Appendix A shows detailed plans / outturn per scheme aligned to each Corporate Outcome.

<u>Corporate Priorities</u>	<u>Corporate Outcomes</u>	<u>2015/16 Capital Programme</u>	<u>2015/16 Outturn</u>	<u>2015/16 Variance</u>	<u>Later Years Capital Programme (indicative)</u>
		<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>THRIVING &amp; VIBRANT ECONOMY</b>	(1) Create More & Better Jobs & Good Business Growth	5.662	5.457	(0.205)	21.551
	(2) Increase Skills To Get More People Working	-	-	-	-
	(3) Develop A Vibrant Town Centre	12.253	5.782	(6.471)	44.253
	(4) Strengthen Our Visitor Economy	1.224	1.176	(0.048)	0.824
	(5) Create More & Better Housing	27.372	26.377	(0.995)	140.983
	<b>Sub Total</b>	<b>46.511</b>	<b>38.792</b>	<b>(7.719)</b>	<b>207.611</b>
<b>PEOPLE ACHIEVING THEIR POTENTIAL</b>	(6) Every Child Attends a Good School	8.572	6.065	(2.507)	11.384
	(7) Early, Targeted Support For Those That Need It	0.009	0.008	(0.001)	0.001
	(8) Children & Adults Are Safe From Harm	0.046	0.003	(0.043)	0.570
	(9) People Are Healthier, Happier, Independent & Active	0.908	0.743	(0.165)	0.918
	<b>Sub Total</b>	<b>9.535</b>	<b>6.819</b>	<b>(2.716)</b>	<b>12.873</b>
<b>STRONG &amp; RESILIENT COMMUNITIES</b>	(10) People Volunteering & Contributing Towards Stronger Communities	-	-	-	-
	(11) Protecting The Borough For Future Generations	34.341	30.966	(3.375)	8.272
	(12) Customers Can Contact Us Easily & Use More Services Online	0.341	0.138	(0.203)	0.580
	<b>Sub Total</b>	<b>34.682</b>	<b>31.104</b>	<b>(3.578)</b>	<b>8.852</b>
	<b>Total</b>	<b>90.728</b>	<b>76.715</b>	<b>(14.013)</b>	<b>229.336</b>

## OUTCOME 1 - CREATE MORE & BETTER JOBS & GOOD BUSINESS GROWTH

### 1. Financial Position

The table below summarises the closing position for Outcome 1, for the 2015/16 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2015/16 Capital Programme  £M	2015/16 Outturn  £M	2015/16 Variance  £M	Later Years Capital Programme (indicative)  £M
PLACE / FINANCE, ASSETS & IT	5.662	5.457	(0.205)	21.551

### 2. Significant Schemes

The two most significant schemes in terms of total value that are contributing to Outcome 1 are:

Scheme / Programme	Directorate	2015/16 Capital Programme  £M	2015/16 Outturn  £M	2015/16 Variance  £M	Later Years Capital Programme (indicative)  £M
<i>Goldthorpe Master Plan</i>	PLACE	3.267	3.384	0.117	1.523
<i>Strategic Business Parks</i>	PLACE	0.924	0.837	(0.087)	1.981

### Goldthorpe Master Plan

#### Overview

The Goldthorpe Masterplan capital investment is focussed on the redevelopment of the Goldthorpe Primary School on a new site in the middle of town. The existing school will relocate into the new building, with the old school building demolished and sold as an opportunity for a new retail development.

#### Financial

Actual expenditure for 2015/16 on this scheme totals £3.384M (against approved plans of £3.267M), giving an in-year variance of £0.117M. This scheme is currently forecasting an overall balanced position.

#### Outcomes / Impact

The school build started on site in August 2015 and has a 48 week build programme. The school is programmed for practical completion in May 2016 although final fit out will be completed in July to coincide with the end of term for the existing school with occupation for the September term of 2016. The decant of the school requires a full strip and re-location of the schools kitchen plant and IT.

A developer had an option on the existing school site but this option was mutually terminated because the potential end user for the site could not be secured. The site has been re-advertised and currently no further interest in the site has been identified although a number of more recent enquiries from potential investors are being actively pursued.

Alternative end uses for the site have also been considered. To minimize the risk on the existing school and to address

financial viability issues demolition of the existing school is being progressed.

The school have been actively involved in the build and have attended site on a couple of occasions to mark the start on the site and to secure the golden bolt (last bolt in the steel frame). They have also been involved in trips to the steel fabrication company to understand the journey of steel.

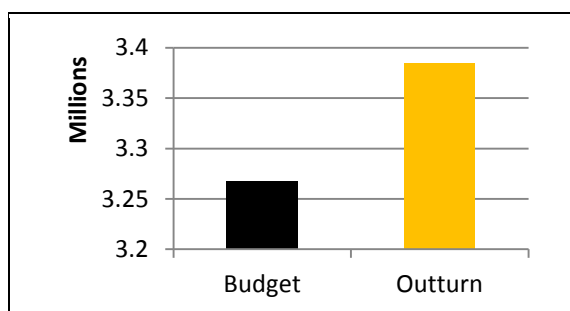
Robertson is required to employ local labour and source locally where feasible. This is monitored by man hours on site using postcode data.

#### Future Outlook

Although work has now begun on site, there is ongoing risk of attracting new retail development on the existing school site and the subsequent capital receipt. This risk is being mitigated by progressing the demolition of the existing school site once vacated to increase its attractiveness to potential investors. This approach also reduces the impact of an empty building in the village.

### Financials

- 2015/16 Budget - £3.27M
- Actual Spend - £3.38M
- In-Year Variance - £0.11M



### Outputs / Outcomes

- 190 Houses Demolished
- 310 school places
- 20,000 sqft potential new retail space
- 85% of work delivered by SME's

## Strategic Business Parks

### Overview

The Strategic Business Parks project aims to provide employment land at 3 key strategic locations;

- M1 Junction 36 (Phase 1 Hoyland) (128 hectare)
- M1 Junction 36 (Phase 2 Goldthorpe) (43 hectare plus a further 128 hectare reserved)
- M1 Junction 37 (50 hectare)

The sites will be allocated as part of the emerging draft Local Plan 2014-2033, with proposed infrastructure funded by Sheffield City Region Investment Fund and the Jobs and Business Plan together with private investment in the sites. This overall Strategic Business Parks project will contribute significantly to the Council's aspiration of creating 17,500 new jobs over the next 20 years.

### Financial

Actual expenditure for 2015/16 on this scheme totals £0.837M (against approved plans of £0.924M), giving an in-year variance of -£0.087M. This scheme is currently forecasting an overall balanced position.

### Future Outlook

#### **M1 Junction 36 (Phase 1 Hoyland)**

- Funding Agreement / Development Agreements to be signed March 2016
- Highways Infrastructure works tender was awarded March 2016
- Highways Infrastructure Works – Start on Site – End of May 2016
- Highways Infrastructure Works – Completed Summer 2017
- Local Plan Adopted Summer 2017
- 3<sup>rd</sup> Party Employment sites Infrastructure Works Planning Permission obtained 12 months after Local Plan



#### Adoption

- 3rd Party Employment Sites Infrastructure Works Start on Site spring 2018
- 3rd Party Employment Sites Infrastructure Works completed 2024

#### M1 Junction 36 (Phase 2 Goldthorpe)

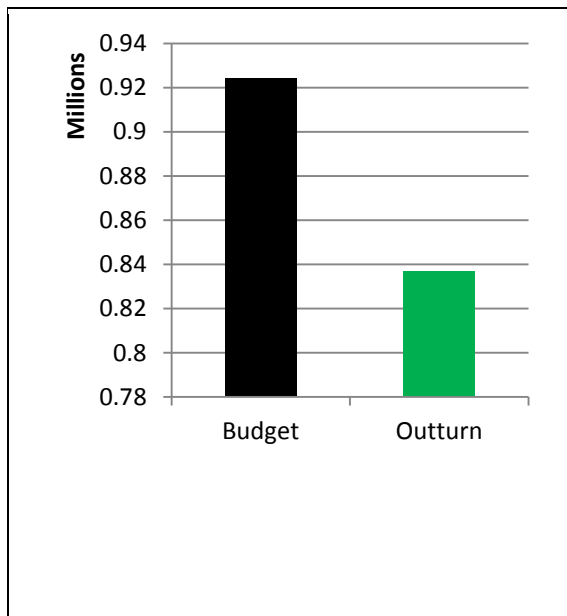
- Traffic Modelling to be completed by July / August 2016
- Options to be designed and costed by February 2017
- BMBC Local Plan expected to be adopted Spring/Summer 2017
- 1B Business Case Submitted Summer/Autumn 2017 (subject to Local Plan Adoption)
- Funding Agreement / Development Agreements signed Spring 2018
- 3rd Party Employ't Sites Infrastructure Works Planning Permission Obtained (12 month after Local plan adopted)
- 3rd Party Employment Sites SCRIF Infrastructure Works Start on Site - 2019/2020
- 3rd Party Employment Sites SCRIF Infrastructure Works completed – 2020/2021

#### M1 Junction 37

- Traffic Modelling to be completed March 2016
- Options to be designed and costed by Spring 2016
- 1A SCRIF Business Case to be submitted by Spring/Summer 2016
- BMBC Local Plan expected to be adopted Spring/Summer 2017
- 1B Business Case Submitted Summer/Autumn 2017 (subject to Local Plan Adoption)
- Funding Agreement / Development Agreements signed Spring 2018
- 3rd Party Employment Sites Infrastructure Works Planning Permission obtained (12 month after Local plan Adopted)
- 3rd Party Employment Sites SCRIF Infrastructure Works Start on Site - 2019/2020
- 3rd Party Employment Sites SCRIF Infrastructure Works phase one completed – 2020/2021

### Financials

- 2015/16 Budget - £0.92M
- Actual Spend - £0.84M
- In-Year Variance - (£0.08M)



### Outputs / Outcomes

#### M1 Junction 36 (Phase 1 Hoyland) (128 hectare)

- 1.8km of new and improved highways infrastructure
- 4,744 direct jobs and 1,582 indirect jobs (by 2033)
- 273,280 sqm of commercial floorspace (by 2033)

#### M1 Junction 36 (Phase 2 Goldthorpe) (43 hectare proposed allocation plus a further 128 hectare reserved)

- 1,640 direct jobs (based on 43 hectare allocated)
- 98,400 sqm of commercial floorspace (based on 60sqm per job) by 2033

#### M1 Junction 37 (50 hectare)

- 3,851 direct jobs
- 231,060 sqm of commercial floorspace (based on 60sqm per job) by 2033
- 1,700 new homes

*NB. Outputs and outcomes are linked to the areas allocated through the Local Plan process and are still subject to change*



## OUTCOME 3 – DEVELOP A VIBRANT TOWN CENTRE

### 1. Financial Position

The table below summarises the closing position for Outcome 3, for the 2015/16 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / FINANCE, ASSETS & IT	12.253	5.782	(6.471)	44.253

### 2. Significant Schemes

The two most significant schemes in terms of total value that are contributing to Outcome 3 are:

Scheme / Programme	Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
<i>Town Centre Redevelopment</i>	CORE	10.751	4.354	(6.397)	41.901
<i>Delivery of New Retail &amp; Leisure Facilities</i>	PLACE	0.255	0.180	(0.075)	2.299

### Town Centre Redevelopment

#### Overview

The Better Barnsley capital investment is focussed on the redevelopment of the BMBC owned assets and land in Barnsley town centre. The investment will include enabling works and demolition to clear derelict and underused assets, the creation of a temporary market structure to house the semi-open market traders, the refurbishment and extension of the existing metropolitan centre, the creation of a new library, new landscaped public open space (the Market Square) and high quality car parking on the former CEAG site. These ambitious plans will boost regeneration, acting as a catalyst for further investment in the town.

Since the Better Barnsley prospectus was launched in July 2014 and outline planning permission was secured, we've seen the open market relocated into the town centre precinct, the demolition of the former Zero Ice building, demolition of the Kendray Street bridge, the demolition of Central Offices and asbestos removal from other buildings due for demolition. Full planning approval has been secured for the temporary market building and the new CEAG car park which is due to open May 2016.

The design process is currently at RIBA Stage 3 for the Library and Metropolitan Centre and RIBA Stage 2 for the public realm. The main contractor Henry Boot was appointed in February 2016.

#### Financial

Actual expenditure for 2015/16 on this scheme totals £4.354M (against approved plans of £10.751M), giving an in-year variance of -£6.397M. This scheme is currently forecasting an overall balanced position.

Given that the main elements of the project are still in the early phase of RIBA stage 3 design the figures are still very indicative at this stage. The mitigation is that the scheme will be revised and re-costed throughout Stage 3 and if necessary, be further value engineered to remain within budget once the main contractor is appointed.

### Outcomes / Impact

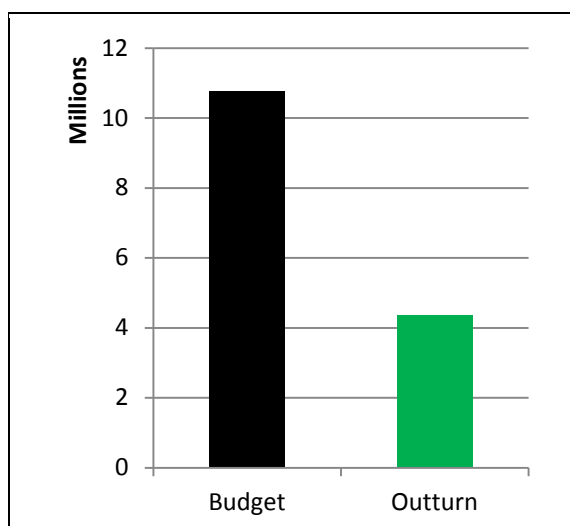
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### Future Outlook

The project is making good progress on site. The enabling and demolition works are well underway and the relevant statutory permissions are in place. There are additional elements of work that were not included in the original Cabinet approval which will need to be considered for future funding. These elements include wider public realm improvements including potentially additional funding for the market square and a bridge over Jumble Lane crossing. The costs of the public realm will be clarified through the Stage 2 design process and external funding sources are being considered for both this and the bridge.

### Financials

- 2015/16 Budget - £10.75M
- Actual Spend - £4.35M
- In-Year Variance - (£6.40M)



### Outputs / Outcomes

- Approximately 27,017sqm Brownfield land reclaimed / redeveloped.
- Demolition of approximately 33,000sqm of floorspace.
- Up to 12,000sqm of refurbished retail / market floorspace.
- Up to 30,500sqm of new available floorspace for use classes A1, A3, A4, to increase and widen the retail offer in the town centre.
- Creation of a 3,000sqm new public library
- Creation of a new public square
- Creation of new public car park
- Job creation through new retail / commercial development.
- Regeneration of the town centre to encourage wider growth and investment in Barnsley.
- Local supply chain opportunities in construction activity.
- Training opportunities through construction activity.

## **Delivery of New Retail & Leisure Facilities**

### Overview

The Council is looking to engage with a private sector development management company to bring forward the new development sites created as part of the wider Better Barnsley scheme. This will include working with the Council to provide:

- Fully tendered construction contract with a fixed price;
- Detailed planning consent;
- Pre-lets or key anchors secured including a cinema;
- A detailed financial model and cost plan
- Securing private sector finance to fund the new leisure and retail elements of the Better Barnsley scheme

The Council has completed the procurement exercise and has appointed Turner and Townsend and Queensberry Real Estate as the development management organisation. Early work has commenced including

- Initial design work on the stage two sites
- Detailed discussions with cinema operators
- Contact with a range of leisure and retail operators interested in Barnsley Town Centre
- Development of a financial appraisal of the scheme
- Early work to promote the scheme to potential financial investors

**Financial**

Actual expenditure for 2015/16 on this scheme totals £0.180M (against approved plans of £0.255M), giving an in-year variance of -£0.075M. This scheme is currently forecasting an overall balanced position.

**Outcomes / Impact**

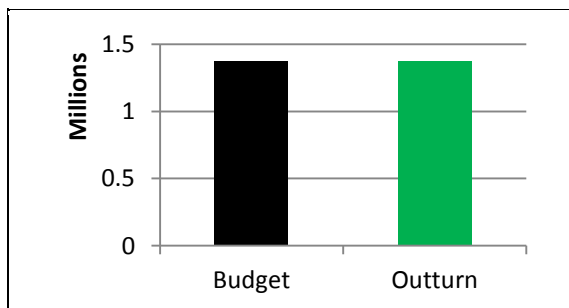
This project is part of the wider Better Barnsley scheme. Both this and the redevelopment of the Metropolitan Centre, Library and associated demolition work have to work together to achieve the desired end outcomes. Without the success delivery of new retail and leisure units in the town centre, the impact of the redevelopment will be affected and vice versa. It is one project and the outputs and outcomes need to be considered as such.

**Future Outlook**

- Stage A feasibility work complete by October 2016
- Stage B Pre-planning stage complete by March 2017
- Stage C Planning stage complete by July 2017
- Stage D Securing investment stage complete by September 2017

**Financials**

- 2015/16 Budget - £0.26M
- Actual Spend - £0.18M
- In-Year Variance - (£0.08M)



**Outputs / Outcomes**

- Estimated 650 permanent retail and leisure jobs to be created along with associated construction jobs and safeguarding jobs within the market.
- Approx 300,000 sq ft of new retail and leisure space in the town centre.
- Estimated £50M private investment to be secured.



## **OUTCOME 5 – CREATE MORE AND BETTER HOUSING**

### **1. Financial Position**

The table below summarises the closing position for Outcome 5, for the 2015/16 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / COMMUNITES / HRA	27.372	26.377	(0.995)	140.983

### **2. Significant Variations for Other Schemes**

#### **Housing Market Renewal (HMR) (-£1.428M)**

This relates to the Beaver Street scheme which has just received Cabinet approval to progress the Compulsory Purchase Order (CPO). As such, the money is still required and just needs to be re-profiled. Spend to date has only included one acquisition and some security and clearance activity for the empties. When the scheme was approved we had hoped to acquire via negotiation, but this hasn't been possible hence a delay in any significant spend.

### **3. Significant Schemes**

The three most significant schemes in terms of total value that are contributing to Outcome 5 are:

Scheme / Programme	Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
<i>Barnsley Homes Standard / Decent Homes</i>	HRA	15.815	16.230	0.415	91.457
<i>Non Barnsley Homes Standard</i>	HRA	4.342	4.512	0.170	28.907
<i>New Build / Acquisitions</i>	HRA	3.588	4.079	0.491	12.151

#### **Barnsley Homes Standard / Decent Homes Schemes**

##### **Overview**

Barneslai Homes fulfilled its Decent Homes target by achieving full decency of its housing stock in December 2010. As the decency standard is essentially a time based elemental standard, when a number of elements in a property require replacement because they are old and because of their condition, the property is said to be non-decent and requires

improvement. The Barnsley Homes Standard Programme improves these properties in planned improvement programmes and based on a whole house approach.

**Financial**

Actual expenditure in 2015/16 on these schemes totalled £13.829M against the approved 2015/16 plan of £13.178M. Scheme rephasing totalling £0.625M into 2015/16 from 2016/17 is reported as part of this report, the most significant of which is the 2015/16 New Lodge scheme where £0.491M has been rephased into 2015/16 due to unexpected and complex asbestos control and removal issues which have included de-cant of residents.

On the 2016/2017 Hoyland scheme there has been rephasing into 2015/16 totalling £0.101M in relation to condition and asbestos surveys carried out prior to the scheme commencing on site in April 2016.

On the 2015/16 Worsbrough Dale scheme there have been increased costs totalling £0.271M, £0.180M in 2015/16 and £0.113M in 2016/17 due to a combination of :- a higher than expected number of elemental failures in individual properties, some properties being added in, the refurbishment and conversion of an ex community facility into a lettable property which included extensive remedial works to the property grounds, extensive asbestos removal to selected properties (including decant of resident) and a higher number than expected of properties identified as being suitable for Air Source Heat Pump installations.

On the 2015/16 Bolton on Dearne Scheme there has been slippage of £0.163M due to delays as results of the addition of radiator replacements in sheltered properties within the scheme. A short extension of extension of time was approved for these works.

The Barnsley Homes Standard / Decent Homes Programme is currently forecasting an overall balanced position.

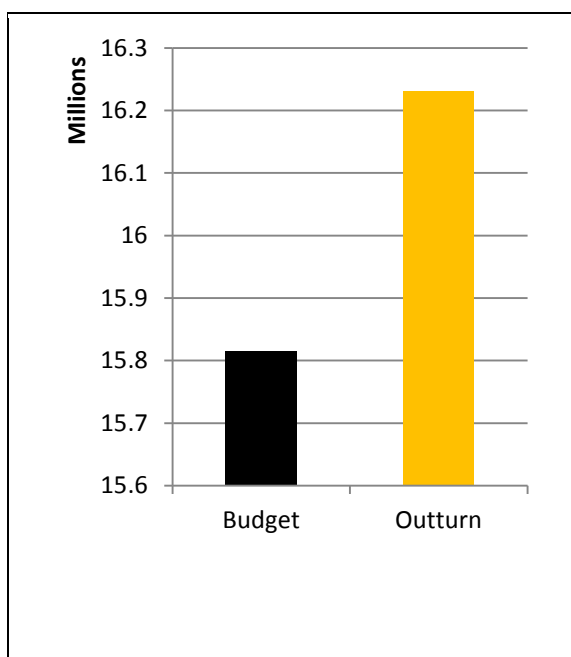
**Future Outlook**

At this stage there are no significant issues that pose any delays to delivery. The 2016/17 programme (seven schemes) has commenced with the first two schemes on site.

Over the three year period from 2014 onwards, around 2,700 dwellings will receive works designed to keep them maintained at the Government’s Decency Standard. Works are ongoing planning Barnsley Homes Standard programmes of work beyond 2017, all designed to maintain properties at the Decency standard. The works will be undertaken by Berneslai Homes stock maintenance partners, Kier Building Maintenance and Berneslai Homes Construction Services.

**Financials**

- 2015/16 Budget - £15.82M
- Actual Spend - £16.23M
- In-Year Variance - £0.41M



**Non Barnsley Homes Standard Schemes**

**Outputs / Outcomes**

The BHS programme, which ensures that the housing stock is maintained at Decency Standard, improves the quality and lifetime of social housing, ultimately delivering sustainable communities.

- Works to 812 properties were programmed to take place in 2015/16 to maintain the decency standard. Works have progressed well and all properties were scheduled to complete before March 31st 2016. However, due to some complex, unexpected asbestos removal/control issues and difficulties caused by a sub contractor going into administration, 782 properties have been completed to date. One scheme has been extended to April and one to June 2016
- On Barnsley Homes Standard schemes, where appropriate, air source heat pumps instead of traditional boilers have been installed. This ‘greener’ technology attracts renewable heat incentive (RHI) income to the HRA, currently estimated at over £1M over a seven year period although this is expected to increase as more Air Source Heat Pumps are installed.

### Overview

The Non BHS schemes incorporated in the Performance Related Investment Programme contract include:-

- **The Major Adaptations budget** which assists people with specific identified needs within the Borough, allowing them to continue to live as independently as possible in the home of their choice.
- **The Replacement Items budget** comprising items which are reported by tenants and subsequently on inspection deemed beyond repair. These are placed into a planned rolling programme of work throughout the year. Properties where BHS works are planned are excluded except in very urgent or emergency cases.
- **The Structural Extensive / Void Replacement Programme** which allows for structural and replacement items in both tenanted and void properties where the existing property elements are beyond repair or dangerous. The budget allows for extensive works to single properties which do not lend themselves to ongoing or imminent programmed works.

### Financial

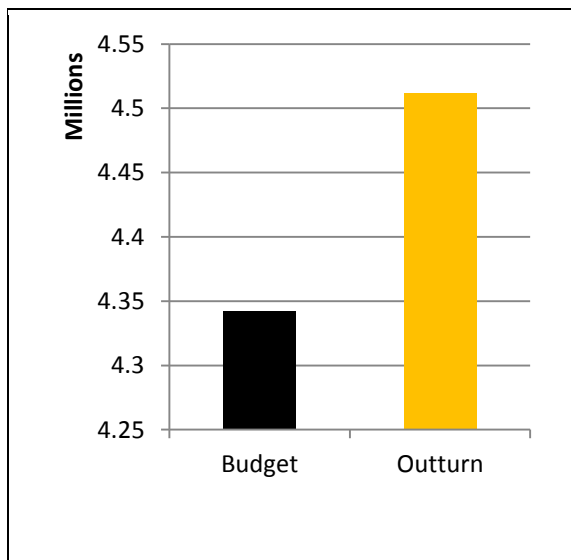
Actual expenditure in 2015/16 on these schemes totalled £4.033M against the 2015/16 approved plan of £3.911M. Of this, £1.813M related to Major Adaptations, £1.041M Replacement Items and £1.179M the Structural Extensive/Void Replacement Programme, compared to plans of £1.800M, £1.111M and £1.000M respectively. There was £0.179M of re-phasing into 2015/16 relating to the Structural Extensive/Void Replacement Programme where demand was higher than previously anticipated, with works required to a number of acquired properties. However, the demand led budget for replacement items was lower by £0.105M.

### Future Outlook

These are demand led budgets and assessing expenditure is more difficult as both the quantity and scope of works may vary. These budgets are however closely monitored, to ensure over commitment does not exist.

### Financials

- 2015/16 Budget - £4.34M
- Actual Spend - £4.51M
- In-Year Variance - £0.17M



### Outputs / Outcomes

Non BHS schemes make a real difference to tenants lives, improving the quality of social housing available and enabling them to continue living in the home of their choice.

The impact of these demand led budgets to date in 2015/16 is as follows:-

- 513 properties benefitted from major adaptation works.
- 1,195 jobs ordered against the replacement items budget.
- 166 jobs ordered against the structural extensive / void replacement budget.

This compares to 442 properties for the same period last year for major adaptations, 1,572 replacement items jobs and 197 structural extensive / void replacement jobs, noting that this does not reflect the scope of the works.

## New Build Schemes

### Overview

BMBC is committed to acquisition and small new build programmes with a view to improving the housing offered for its customers. Properties are also being acquired for rent through the Single Property Acquisitions budget contributing to the provision of affordable housing and increasingly Section 106 New Build properties from Housing Developers.

### Financial

Actual expenditure in 2015/16 on New Build schemes totalled £2.469M against the 2015/16 approved plan of £1.961M. Scheme re-phasing totalling £0.665M into 2015/16 from 2016/17 is reported as part of this report.

This is primarily due to Roy Kilner Road where £0.603M has been re-phased into 2015/16 from 2016/17. The newly appointed contractor progressed more quickly than anticipated once on site and weather conditions were also better than anticipated in the early part of year allowing construction of the shell to proceed more quickly.

There was slippage of £0.156M across New Build schemes in 2015/16. £0.137M was on the Huddersfield Rd scheme, converse to the above, the weather had a negative impact due to the saturation of the ground at a critical point in the programme delaying the clearing of site and formation of foundations. The new gas, electric and water services into the building were also subject to delay by the agencies concerned. These have resulted in the overall delivery being 5 - 6 weeks behind programme.

Actual expenditure in 2015/16 on Single Property Acquisitions totalled £1.612M against the 2015/16 approved plan of £1.630M, resulting in £0.018M slippage to 2016/17.

### Future Outlook

The New Build development at Roy Kilner Road, Wombwell of 37 units has suffered significant delays. The first property handovers will now fall in May 2016, with the remainder phased into the following months till August 2016. The Meadow View, Hoyland project of 4 houses was completed in January 2016. The Green Street, Worsbrough scheme (6 units) started on site in January 2016 with completion scheduled for July 2016. The conversion of 39 Huddersfield Road (5 Units) started on site in November 2015 and although slightly delayed by issues with service connections will be completed in June 2016.

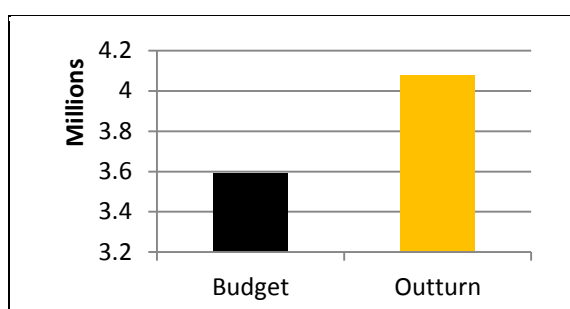
We are working in partnership with the BMBC Housing Growth Team on two new build developments linked to Compulsory Purchase Orders in Worsbrough and Goldthorpe. These will be packaged and developed in 2016 / 2017.

Other future New Build schemes have been paused pending a review of the business plan following the recent surprise government announcement of reductions to social rent.

Single Property Acquisitions are subject to property availability, price, condition, location and suitability for addition to the housing stock for the Authority.

### Financials

- 2015/16 Budget - £3.59M
- Actual Spend - £4.08M
- In-Year Variance - £0.49M



### Outputs / Outcomes

Delivery of this programme ensures expanding housing opportunities within communities, improving the provision of affordable housing offered.

- The recently revised New Build programme includes an approved proposal to build 59 new homes.
- 30 properties have been acquired in 2015/16 with 6 of them expected to generate £0.090M HCA Empty Homes Grant. This compares to 51 property acquisitions for the same period last year.



## **OUTCOME 6 – EVERY CHILD ATTENDS A GOOD SCHOOL**

### **1. Financial Position**

The table below summarises the closing position for Outcome 6, for the 2015/16 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

<b>Directorate</b>	<b>2015/16 Capital Programme £M</b>	<b>2015/16 Outturn £M</b>	<b>2015/16 Variance £M</b>	<b>Later Years Capital Programme (indicative) £M</b>
PEOPLE / PLACE / FINANCE, ASSETS & IT	8.572	6.065	(2.507)	11.384

### **2. Significant Schemes**

The three most significant schemes in terms of total value that are contributing to Outcome 6 are:

<b>Scheme / Programme</b>	<b>Directorate</b>	<b>2015/16 Capital Programme £M</b>	<b>2015/16 Outturn £M</b>	<b>2015/16 Variance £M</b>	<b>Later Years Capital Programme (indicative) £M</b>
<i>Building Schools for The Future</i>	Core	3.040	2.561	(0.479)	0.587
<i>School Condition</i>	People	1.811	1.667	(0.144)	3.091
<i>Additional Pupil Places</i>	People	2.977	1.599	(1.378)	7.552

### **Building Schools for the Future**

#### Overview

The Council replaced its entire secondary and special schools estate with 9 state of the art Academic Learning Centres and 2 Special Schools through a mix of private finance initiatives and design and build schemes. The construction phase of the whole BSF programme was finalised in 2012 with all 11 schools becoming operational on a phased basis.

#### Financial

Actual expenditure for 2015/16 on this programme totals £2.561M (against approved plans of £3.040M), giving a net in-year variance of -£0.479M. This variance predominantly relates to scheme slippage (Appendix B refers).

#### Outcomes / Impact

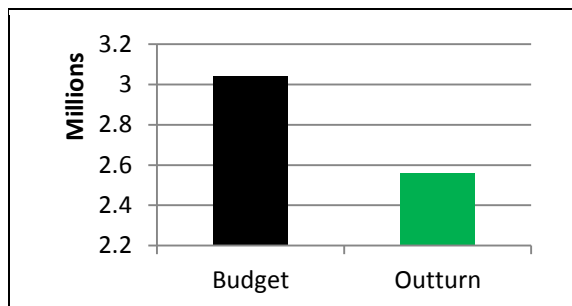
Overall capital investment through the BSF/PFI programme has resulted in 9 state of the art academic learning centres for secondary age pupils and 11 community hubs providing accessible and affordable community sporting and leisure facilities. In addition, the investment has enabled an enhanced ICT provision within the ALCs allowing for modern day learning resources as well as increased opportunities for developing skills and employability.

#### Future Outlook

2015/16 saw the final year of committed capital spend. There was some slippage of £0.210M against retentions for the D&B school (Carlton) which is still under negotiation with the contractor and should be finalised in 2016/17. There is no further planned spend against the scheme, the only exception to this being ad-hoc contract variations requested by schools funded from individual school budgets, therefore no strain on the Council's capital programme.

## Financials

- 2015/16 Budget - £3.04M
- Actual Spend - £2.56M
- In-Year Variance - (£0.48M)



## Outputs / Outcomes

- 100% of defects completed 2015/16
- 100% of ICT refresh spent 2015/16
- 9 state of the art academic learning centres for secondary age pupils and 11 community hubs providing accessible and affordable community sporting and leisure facilities

## School Condition

### Overview

The school condition programme (funded from DfE capital grant) comprises of a number of schools schemes that relates to, and addresses, the major defective building elements that have been identified. These include health and safety measures, which reduces the risk of school closure, within the current backlog of maintenance. The schemes will ensure that pupils are taught in safe, dry, warm and bright environments.

### Financial

Actual expenditure for 2015/16 on this scheme totals £1.667M (against approved plans of £1.811M), giving an in-year variance of -£0.144M. This variance predominantly relates to scheme slippage (Appendix B refers).

### Outcomes / Impact

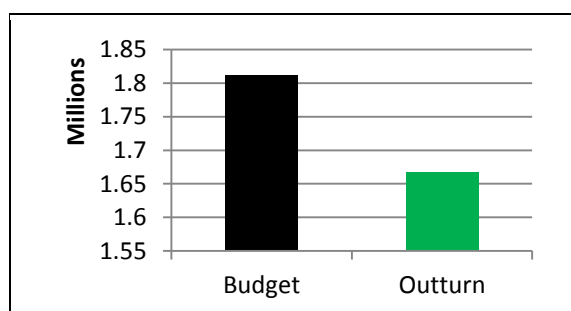
In total there were 19 Capital New Starts Schemes to be completed over the Summer Holiday period. At the 31st August 2015, 15 had been completed and handed back to the school. The 4 schemes that ran over into September all related to roofing works, which was due to a number of factors, including unforeseen elements, inclement weather and contractor resourcing issues. These schemes were fully complete at the end of October Half-Term.

### Future Outlook

All schemes will continue to be monitored throughout the defect liability (warranty) period to ensure the works are functioning as designed. Works to the Final Accounts are currently ongoing and any significant variances that arise during this period will be reported so that corrective action can be implemented.

## Financials

- 2015/16 Budget - £1.81M
- Actual Spend - £1.67M
- In-Year Variance - (£0.14M)



## Outputs / Outcomes

- The condition of 12 schools were significantly improved
- 78% of schemes completed within the 6 week holiday period

## Additional Pupil Places

### Overview

The Authority has a statutory duty to ensure there are sufficient school places in the borough to provide appropriate education for its pupils. The Pupil Places programme comprised a number of capital schemes aimed at increasing the number of primary school places to meet increased demand from September 2015. This is mainly achieved by providing additional classroom space in specific schools in areas of greatest need.

These schemes can be categorised into two areas; meeting the immediate demand for places in 2015 and planning for future need in 2016, 2017 and 2018. For the 2015 demand, an additional 110 places were created ready for children starting school in September. The 2016, 2017 and 2018 schemes are in various stages from feasibility studies, detailed design and out to tender.

### Financial

Actual expenditure for 2015/16 on this scheme totals £1.599M (against approved plans of £2.977M), giving an in-year variance of -£1.378M. This variance predominantly relates to scheme slippage (Appendix B refers).

### Outcomes / Impact

These schemes are required to meet the Authority's statutory obligations to provide sufficient & appropriate number of pupil places across the borough. Improved facilities that increase the value of the schools' building portfolio. From the 11 schemes that make up the Capital Programme for Additional Pupil Places, 6 relate to schemes needed for 1st September 2015. These schemes were a mixture of refurbishment and new build.

The refurbishment schemes at Hoylandswaine Primary, Lacewood Primary, Richard Newman Primary (now Laithes Primary Academy) were all completed and handed over to the school at the end of August 2015. A temporary mobile nursery classroom was installed at Hunningley Primary to help facilitate a bulge class in the main school. The schemes at Summer Lane and Penistone St. Johns C of E Primary consisted of refurbishment and new build. These schemes were handed over by the end of the October Half-Term holiday.

The remaining schemes are all major schemes, with project values ranging from £0.500M to £1.100M. Works are currently progressing at Wombwell Park Street, Churchfield Primary and Thurlstone Primary and will be complete by 1<sup>st</sup> September 2016. The scheme at Hunningley and Penistone St Johns Primary are due to start on site in May 2016, and will be complete for 1<sup>st</sup> September 2016.

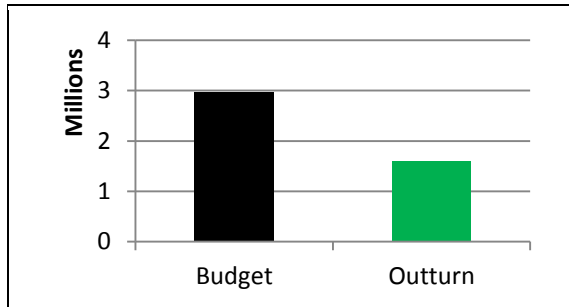
Design work has started on the final phase of works at Penistone St. Johns Primary (Infant Block) and Milefield Primary. These schemes will be ready for September 2017. Initial feasibility /concept drawings have been prepared for the development of the Junior Block at Penistone St Johns Primary. This scheme will be delivered in September 2018.

### Future Outlook

All schemes will continue to be monitored throughout the year to ensure that at each stage the project costings are contained within the funding available. The key milestone for this is the receipt of tender prices, as this reflects the current market value. Any significant variances that arise will be addressed and fed into future years schemes so that corrective action can be implemented.

### Financials

- 2015/16 Budget - £2.98M
- Actual Spend - £1.60M
- In-Year Variance - (£1.38M)



### Outputs / Outcomes

- Creation of additional 665 schools places
- Provide sufficient & appropriate number of pupil places across the Borough

## OUTCOME 11 – PROTECTING THE BOROUGH FOR FUTURE GENERATIONS

### 1. Financial Position

The table below summarises the closing position for Outcome 11, for the 2015/16 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / COMMUNITIES / FINANCE, ASSETS & IT	34.341	30.966	(3.375)	8.272

### 2. Significant Schemes

The four most significant schemes in terms of total value that are contributing to Outcome 11 are:

Scheme / Programme	Directorate	2015/16 Capital Programme £M	2015/16 Outturn £M	2015/16 Variance £M	Later Years Capital Programme (indicative) £M
<i>Waste PFI</i>	Place	19.276	19.276	-	-
<i>Highways Maintenance</i>	Place	8.851	6.209	(2.642)	2.619
<i>Street Lighting</i>	Place	1.985	2.761	0.776	0.673
<i>Vehicle Replacement Programme</i>	Place	0.531	0.504	(0.027)	2.743

### Waste PFI

#### Overview

The Waste PFI scheme relates to the provision of a jointly owned waste facility. The plans represent the capital contribution made on service commencement, made on value for money grounds as this will reduce the annual unitary charge for use of the facility. In addition, the remaining value of the Council's share of the facility will be recognised against this scheme, funded by an element of the unitary charge as part of a finance lease.

#### Financial

Actual expenditure for 2015/16 on this scheme totals £19.276M giving a nil in-year variance.

#### Outcomes / Impact

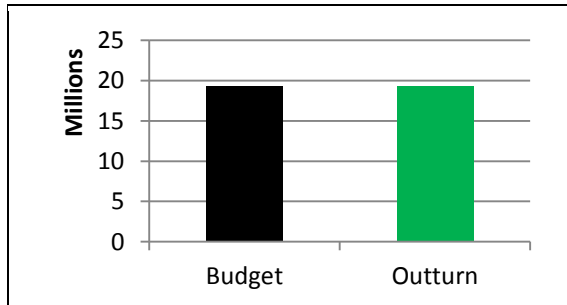
The Waste PFI became fully operational on 1st July 2015 and therefore the Council's capital contributions to the scheme were drawn down at this point. Further contributions are payable in stages over the contract.

## Future Outlook

N/A

### Financials

- 2015/16 Budget - £19.28M
- Actual Spend - £19.28M
- In-Year Variance - £nil



### Outputs / Outcomes

- Facility operational in July 2015
- Reduce the amount of waste sent to landfill, as set out in the Landfill Directive.

## Highways Maintenance Schemes

### Overview

The Highways capital programme is split into several themes, including Bridges, Principal Roads, Local Roads, Town Centre Public Realm, Integrated Transport etc. This particular theme represents 'Other Highway Maintenance' schemes that do not readily sit within one of the other themes. Specifically, for this reporting period, it includes the whole of the Council's Local Transport Maintenance Allocation for 2015/16 of £3.795M. As the Highways capital programme has now been approved, this allocation will be distributed across the schemes that it will be used to deliver within the themes of Bridges, Principal Roads, Local Roads and Town Centre Public Realm.

### Financial

Actual expenditure for 2015/16 on this scheme totals £6.209M (against approved plans of £8.851M), giving an in-year variance of -£2.642M. This variance predominantly relates to scheme slippage (Appendix B refers).

### Outcomes / Impact

The schemes funded from the Local Transport Maintenance Allocation will continue to deliver Town centre public realm improvements to further enhance its attractiveness and encourage private sector investment thereby enhancing the current visitor and retail experience. It will also ensure that the highway network is safely maintained to ensure minimum disruption and providing an effective transport network to support and attract new businesses to the borough.

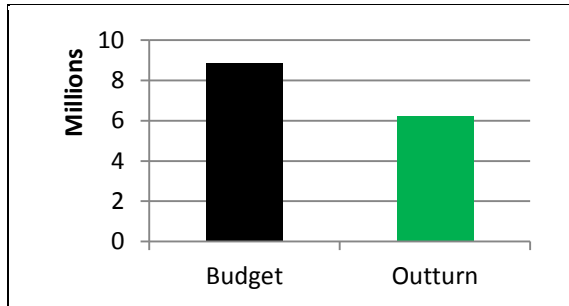
The local transport capital programme has now been approved by Cabinet and work is now underway to deliver the local transport schemes. There was a delay in finalising the report and ultimately this delay has contributed to a slow start in terms of deliverability and expenditure. Operational plans are in place in order to avoid this delay in future years.

### Future Outlook

The Highways capital programme report has now been approved by Cabinet and work is now underway to deliver the agreed schemes. There was a delay in finalising the report and ultimately this delay has contributed to a slow start in terms of delivery and expenditure. Operational plans are in place in order to avoid this delay in future years.

### Financials

- 2015/16 Budget - £8.85M
- Actual Spend - £6.21M
- In-Year Variance - (£2.64M)



### Outputs / Outcomes

- Improved road safety
- Improved network condition
- Increase in people cycling and walking
- Increase in bus patronage
- Reduced congestion
- Contributes to increase town centre patronage

## Street Lighting

### Overview

This scheme's main objective is to replace a significant proportion of the residential road street lighting stock from energy inefficient fluorescent lanterns to energy efficient LED lanterns over a three year period.

### Financial

Actual expenditure for 2015/16 on this scheme totals £2.761M (against approved plans of £1.985M), giving an in-year variance of £0.776M. This variance predominantly relates to scheme re-phasing (Appendix B refers).

### Outcomes / Impact

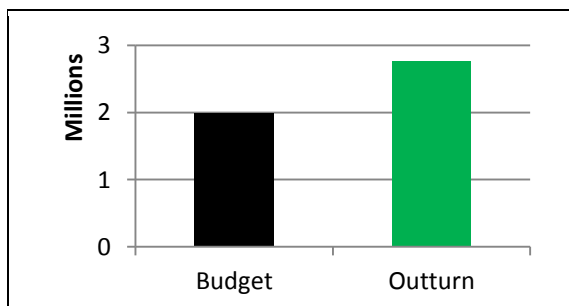
See below

### Future Outlook

N/A

### Financials

- 2015/16 Budget - £1.99M
- Actual Spend - £2.76M
- In-Year Variance - £0.77M



### Outputs / Outcomes

- 23,858 Group B lights to be replaced
- 16,000 replaced so far
- Increased energy savings
- Reduced carbon emissions vs existing lanterns
- Reduced maintenance vs existing lanterns

## Vehicle Replacement Programme

### Overview

This scheme allows the replacement of a range of vehicles/items of plant used by various service areas throughout the Authority, Berneslai Homes and Norfolk Property Services for the period 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016.

### Financial

Actual expenditure for 2015/16 on this scheme totals £0.504M (against approved plans of £0.531M), giving an in-year variance of -£0.027M. This variance relates to scheme slippage (Appendix B refers).

### Outcomes / Impact

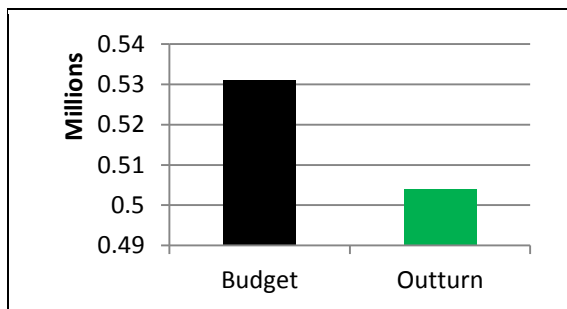
See below

### Future Outlook

N/A

### Financials

- 2015/16 Budget - £0.53M
- Actual Spend - £0.50M
- In-Year Variance - (£0.03M)



### Outputs / Outcomes

- Replacement of an aging fleet with the latest specification vehicles which benefit from the latest engine and safety technology
- Reduction in fuel consumption and carbon emissions
- Reduction in the number of external hire vehicles
- Increased vehicle availability
- Reduction in maintenance costs
- Where possible, smaller, more efficient vehicles can be specified