

**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 Executive Director for  
Core Services**

**CAPITAL PROGRAMME PERFORMANCE – YEAR ENDED 31 MARCH 2017**

**1. Purpose of the Report**

To consider the performance of the Council's Capital Programme for the year ended 31<sup>st</sup> March 2017.

**2. Recommendations**

It is recommended that Cabinet:

- **Note the final position of the 2016/17 Capital Programme;**
- **Receive an updated 2017/18 Capital Programme position (as part of the Quarter 1 monitoring report).**

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

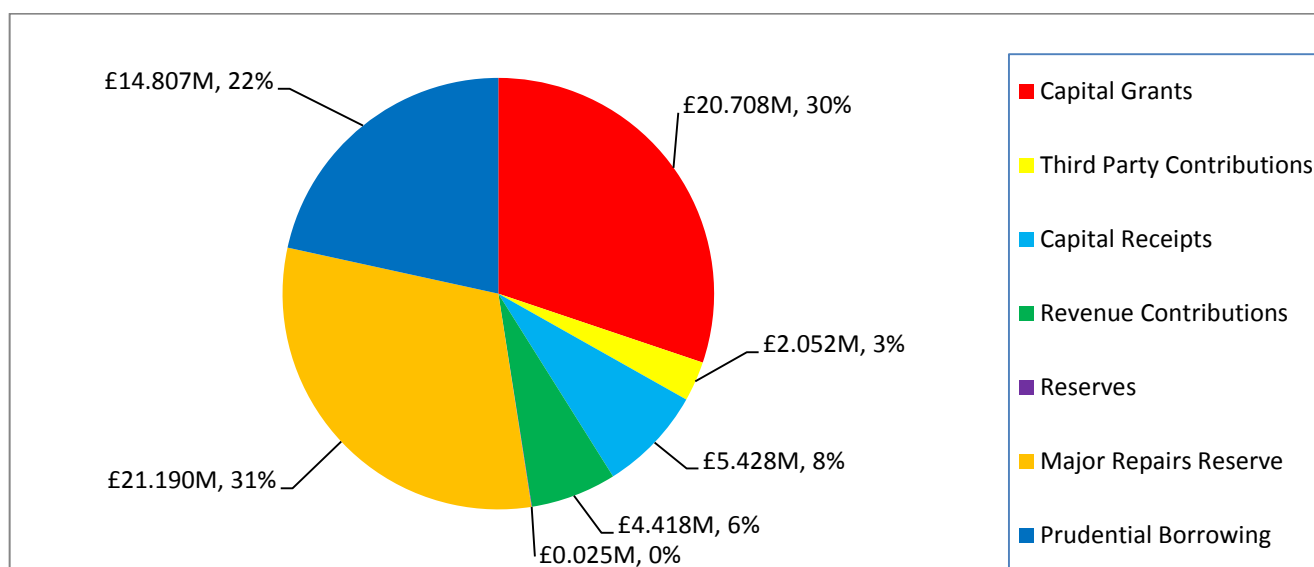
- 3.1. The table below summarises the position of the 2016/17 Capital Programme as at 31<sup>st</sup> March 2017. Appendix A provides a breakdown of this position by scheme.

<b><u>Directorate</u></b>	<b>2016/17 Capital Programme £M</b>	<b>2016/17 Outturn £M</b>	<b>2016/17 Variance £M</b>
People	6.791	6.333	(0.458)
Place	25.031	20.303	(4.728)
Communities	2.751	2.189	(0.562)
Finance, Assets & IT	13.290	12.585	(0.704)
Housing Revenue Account	27.383	27.218	(0.165)
<b>Total</b>	<b>75.246</b>	<b>68.629</b>	<b>(6.617)</b>

- 3.2. The table below summarises the resources used to fund the 2016/17 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 investment but this is not reflected below unless the Council incurs expenditure.

<b><u>Funding Source</u></b>	<b>2016/17 £M</b>
Capital Grants	20.708
Third Party Contributions (Inc. S106)	2.052
Capital Receipts	5.428
Revenue Contributions	4.418
Reserves	0.025
Major Repairs Reserve	21.190
Prudential Borrowing	14.807
<b>Total</b>	<b>68.629</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 2016/17 variance. Any significant variances are explained in more detail in paragraphs 3.6 – 3.8.

Directorate	Slippage £M	Re-phasing £M	Net Increase/ (Decrease) in Scheme Costs £M	Total £M
People	(0.541)	-	0.083	(0.458)
Place	(4.997)	0.001	0.268	(4.728)
Communities	(0.562)	-	-	(0.562)
Finance, Assets & IT	(0.671)	0.431	(0.465)	(0.704)
Housing Revenue Account	(1.614)	1.166	0.283	(0.165)
<b>Total</b>	<b>(8.385)</b>	<b>1.598</b>	<b>0.169</b>	<b>(6.617)</b>

3.5. The overall in year variance is primarily a result of scheme slippage across the programme, with the majority relating to schemes in the Place Directorate.

### 3.6. Slippage

Of the variation in expenditure against approved plans, -£8.385M 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:

#### Place: Vehicle Replacement Programme (-£2.089M)

This scheme allows the replacement of a range of vehicles/items of plant used by various service areas throughout the Council, Berneslai Homes and Norfolk Property Services. Slippage on this scheme relates to delays in the ordering process as a result of issues identifying service need relative to future council 2020 outcomes. Vehicles to a value of £1.870M have since been ordered and are due for delivery within the next six months.

#### HRA: Single Property Acquisitions (-£0.600M)

Properties are acquired for rent through the Single Properties Acquisitions budget contributing to the provision of affordable housing. Whilst an overall balanced position is forecast on the budget, -£0.600M slippage from 2016/17 to 2017/18 occurred as significantly fewer opportunities to acquire suitable properties in the latter part of the year materialised than anticipated.

#### HRA: New Build – Hartcliffe Rd Penistone (-£0.500M)

BMBC is committed to acquisition and small new build programmes with a view to improving the housing offered for its customers. Construction of the Section 106 New Build properties at Hartcliffe Road Penistone by a private developer has been slower than programmed, accounting for -£0.500M slippage. Completion is scheduled for 2017/18 with 6 properties handed over/paid for in May 2017 and the remaining 5 properties due in June 2017.

#### Various: Others (-£5.195M)

A significant number of other schemes have reported slippage of less than £0.5M (individually) in 2016/17, totalling £5.195M. Appendix B identifies these schemes separately.

### 3.7. **Re-phasing**

An amount totalling £1.598M relates to net scheme re-phasing (where schemes are now due to complete in the current financial year rather than future years as was originally planned, as a result of the 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:

#### Finance, Assets & IT: Town Centre Redevelopment (£0.431M)

The Better Barnsley scheme is focused on the redevelopment of the BMBC owned assets and land in Barnsley town centre. The re-phasing of funds from 17/18 to 16/17 relates to the construction of Market Parade which was not part of the original programme of works but was essential to enable the contractor to efficiently refurbish the Metropolitan Centre and to keep the market operating. There have also been additional costs relating to design fees being brought forward to meet revised programme requirements. The overall scheme will be monitored closely to ensure that the future years' plans are brought back into line with the budget available.

#### HRA: Lift Replacement – Sheffield Rd Flats (£0.362M)

The scheme comprises of the complete replacement of all the existing six lifts in the Sheffield Rd Flats. £0.362M has been rephased into 2016/17 from 2017/18 as all six lifts were delivered at the end of March. Previously they had been expected in April.

#### Various: Others (£0.805M)

A number of other schemes have reported re-phasing of less than £0.5M (individually) in 2016/17, totalling £0.805M. Funding has already been identified for these schemes as part of capital programme management; therefore there are no financial implications as a result. Appendix B identifies these schemes separately.

### 3.8. **Variation in Costs**

The remaining £0.169M relates to a net increase in expenditure across a number of schemes as a result of cost variations. The significant scheme variations are shown below:

#### Place: Highways Principal Roads (-£0.330M)

The original proposals for works on the Principal Roads Network (A Roads) included a reserve scheme that was not in the end brought forward. Also, the scope of the works on Doncaster Road had to be curtailed, in order to ease congestion on the network, due to concurrent works on Pontefract Road. The funding aligned to these schemes is ringfenced and will be reprioritised within the Highway capital programme.

Place: Highways A628 Barnsley Road (£0.275M)

The initial budget allocation for this scheme was contained within the Structures budget. The scheme experienced complications in respect of the retaining wall below the A628 at Silkstone / Hoylandswaine which resulted in an unforeseen increase in scheme costs as a result. The financial implications of this were mitigated by underspends on a number of other structures schemes.

Various: Others (£0.224M)

A number of other schemes have reported a net increase in expenditure of less than £0.1M (individually), totalling £0.224M. Appendix B identifies these schemes separately.

3.9. The net increase in scheme costs of £0.169M has the following financial implications:

- There is an overall net increase in scheme costs totalling £0.169M. The funding for this increase is currently sat in unallocated resources and therefore there are no financial implications as a result. The funding is current sat in unallocated resources (paragraph 4.4 refers) and is ringfenced as to how it can be used. Following approval of this report, the funding will be transferred to the respective schemes accordingly, reducing the amounts available for other schemes.

**Future Years**

3.10. The table below summarises the **indicative** position of the 2017/18 to 2020/21 Capital Programme. Appendix C provides a breakdown of this position by scheme.

<b><u>Directorate</u></b>	<b>Existing 2017/18 Plans</b>	<b>Slippage / Rephasing (2016/17 Position)</b>	<b>2017/18 Indicative Capital Programme</b>	<b>2018/19 Indicative Capital Programme</b>	<b>2019/20 Indicative Capital Programme</b>	<b>2020/21 Indicative Capital Programme</b>	<b>Total Indicative Future Years' Capital Programme</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
People	4.980	0.541	5.521	-	-	-	5.521
Place	8.221	4.996	13.217	3.011	3.649	4.040	23.917
Communities	4.632	0.562	5.194	-	-	-	5.194
Finance, Assets & IT	33.215	0.240	33.455	-	-	-	33.455
Housing Revenue Account	31.102	0.448	31.550	29.428	27.952	51.100	140.030
<b>Total</b>	<b>82.150</b>	<b>6.787</b>	<b>88.937</b>	<b>32.439</b>	<b>31.601</b>	<b>55.140</b>	<b>208.117</b>

3.11. The future years' plans include the anticipated slippage / roll forward position from the finalised 2016/17 position.

3.12. The capital programme for 2017/18 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. The Council identifies the resources it has received or is expected to receive in future years which has not yet been formally aligned to schemes as unallocated resources.
- 4.2. The total resources identified at this time equates to £91.939M, which is categorised as either ringfenced / restricted, which means that there are certain conditions assigned to that funding which restricts how it can be used, or unrestricted funding where the Council can prioritise that funding on how it sees fit. Both elements are discussed in the tables below.
- 4.3. Members should note the distinction between resources 'in the bank' in 2017/18 and indicative allocations that haven't yet been aligned to specific schemes.

##### Unallocated Resources - Restricted / Earmarked

- 4.4. The balance of restricted / earmarked funding not yet aligned to specific capital schemes totals £30.970M. This funding relates, in the main, to indicative resource allocations, primarily from Central Government departments. These allocations are due to be received in future years but are indicatively built into the resource position, and are subject to change. The restricted unallocated resources position is analysed in the table below:

	Directorate	2017/18 £M	Later Years (Indicative) £M	Total £M
<u>Restricted / Earmarked *</u>				
Highways Funding	Place	10.833	12.754	<b>23.587</b>
Section 106 Monies	Place	3.029	-	<b>3.029</b>
HRA Major Repairs Reserve	HRA	-	0.245	<b>0.245</b>
School Funding	People	1.407	1.635	<b>3.042</b>
Other	Various	1.067	-	<b>1.067</b>
<b>Total</b>		<b>16.336</b>	<b>14.634</b>	<b>30.970</b>

\* The table above reflects the position of unallocated funding before any funding is released to schemes relating to the overall increase in scheme costs during quarter 4 (paragraph 3.9 refers).

#### 4.5. Highways Funding (£23.587M)

"Banked" and indicative unallocated resources currently total £23.587M relating to the Highways capital programme, which is made up of a number of various funding sources including future years, indicative grant allocations, mainly from Sheffield City Region relating to Local Transport Plan funding.

#### 4.6. Section 106 (£3.029M)

"Banked" unallocated resources totalling £3.029M relates to the Council's contributions received by housing developers as part of a number of development schemes across the Borough. Formal plans have yet to be derived; therefore the funding remains as unallocated until such a time.

#### 4.7. School Funding (£3.042M)

"Banked" and indicative unallocated resources currently total £3.042M which relates to the unallocated resources in respect of the schools' capital programme, in the main. The bulk of the resources consist of £2.811M of capital grants including future years' indicative allocation for capital maintenance grant and £0.229M in respect of capital receipts.

#### Unallocated Resources - Unrestricted

- 4.8. The balance of unrestricted funding not yet aligned to specific capital schemes totals £60.969M. This relates to the Future Council 2020 Capital Programme funding, initially totalling £63.084M which was identified as part of the 2017/18 budget papers (Cab.8.2.2017/7).
- 4.9. A number of schemes relating to the Future Council 2020 plan have already been formally approved by Cabinet, with plans totalling £2.115M and are already included in the capital programme.
- 4.10. The table below shows the indicative split of that funding over the prioritised schemes that have not yet been through the formal approval process and are therefore not currently included in the capital programme.

	Directorate	Total £M
<u>Unrestricted</u>		
Future Council – Town Centre Development	Core	15.000
Future Council – Public Realm	Place	5.100
Future Council – Principal Towns Programme	Communities	5.000
Future Council – Youth Zone	People	3.000
Future Council – A61 Old Mill Lane	Place	3.350
Future Council – Longcar Development	Place	3.997
Future Council – Property / Commercial Land	Place	3.750
Future Council – Other	Various	15.121
Future Council – Contingency	N/A	6.651
<b>Total</b>		<b>60.969</b>

- 4.11. A more detailed review of the 2017/18 Capital Programme will be carried out by the Capital Programme '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 2016/17 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>	<b>2016/17 Capital Programme</b> £M	<b>2016/17 Outturn</b> £M	<b>2016/17 Variance</b> £M	<b>Later Years Capital Programme (indicative)</b> £M
<b>THRIVING &amp; VIBRANT ECONOMY</b>	(1) Create More & Better Jobs & Good Business Growth	10.732	9.042	(1.690)	16.018
	(2) Increase Skills To Get More People Working	-	-	-	-
	(3) Develop A Vibrant Town Centre	10.948	10.888	(0.060)	33.364
	(4) Strengthen Our Visitor Economy	0.265	0.202	(0.063)	1.292
	(5) Create More & Better Housing	29.853	29.251	(0.602)	146.477
	<b>Sub Total</b>	<b>51.798</b>	<b>49.383</b>	<b>(2.415)</b>	<b>197.151</b>
<b>PEOPLE ACHIEVING THEIR POTENTIAL</b>	(6) Every Child Attends a Good School	7.494	6.947	(0.547)	5.389
	(7) Early, Targeted Support For Those That Need It	0.001	0.001	-	-
	(8) Children & Adults Are Safe From Harm	0.203	0.113	(0.090)	0.513
	(9) People Are Healthier, Happier, Independent & Active	1.036	0.547	(0.489)	1.222
	<b>Sub Total</b>	<b>8.732</b>	<b>7.608</b>	<b>(1.126)</b>	<b>7.124</b>
<b>STRONG &amp; RESILIENT COMMUNITIES</b>	(10) People Volunteering & Contributing Towards Stronger Communities	0.073	0.015	(0.058)	0.005
	(11) Protecting The Borough For Future Generations	14.020	11.299	(2.721)	3.078
	(12) Customers Can Contact Us Easily & Use More Services Online	0.621	0.323	(0.298)	0.758
	<b>Sub Total</b>	<b>14.714</b>	<b>11.637</b>	<b>(3.077)</b>	<b>3.841</b>
	<b>Total</b>	<b>75.246</b>	<b>68.629</b>	<b>(6.617)</b>	<b>208.117</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 2016/17 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2016/17 Capital Programme  £M	2016/17 Outturn  £M	2016/17 Variance  £M	Later Years Capital Programme (indicative)  £M
PLACE / FINANCE, ASSETS & IT	10.732	9.042	(1.690)	16.018

### **2. Significant Schemes**

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

Scheme / Programme	Directorate	2016/17 Capital Programme  £M	2016/17 Outturn  £M	2016/17 Variance  £M	Later Years Capital Programme (indicative)  £M
<i>Goldthorpe Master Plan</i>	PLACE	1.419	1.174	(0.245)	0.349
<i>Strategic Business Parks</i>	PLACE	0.476	0.218	(0.258)	1.835
<i>M1 Junction 36 Phase 1 Hoyland</i>	PLACE	4.808	4.532	(0.276)	12.569

### **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 2016/17 on this scheme totals £1.174M (against approved plans of £1.419M), giving an in-year variance of (£0.245M). This scheme is currently forecasting an overall balanced position.

#### **Outcomes / Impact**

The school building is now complete and opened to children at the start of the September term, following a 48 week build programme. A formal opening ceremony took place in September.

Demolition has now been completed on the existing school building. The site continues to be marketed on Right Move and pro-active approaches to developers continues.

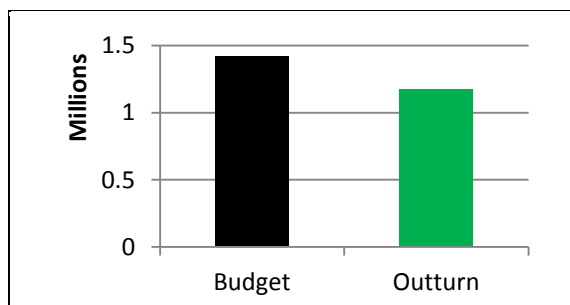
#### **Future Outlook**

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

- 2016/17 Budget - £1.419M
- Actual Spend - £1.174M
- In-Year Variance – (£0.245M)



## 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 – Jobs and Business Plan Element**

### Overview

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

- M1 Junction 36 (Phase 1 Hoyland) (123 hectares)
- M1 Junction 36 (Phase 2 Goldthorpe) (73 hectares plus a further 98 hectares reserved)
- M1 Junction 37 (43 hectares)

The sites will be allocated as part of the emerging draft Local Plan 2014-2033, now a publication version. The proposed infrastructure would be 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.

The overall programme and spend profile for the scheme continues to be amended on a monthly basis after the onsite project progress meeting to upto date with current position at all times.

There was an initial delay to the start on site due to the delay in the signing of the funding agreement with Sheffield City Region but due to the good weather conditions we have experienced to date the physical works are progressing rapidly, and coupled with a change in how the value of the works completed are assessed and claimed by the contractor this has helped to achieve the current forecast spend position. A change request was submitted envisaging acceleration of the Slip Road element of work package 1 in 2016/2017 but due to errors by Highways England's Site Agent works that would have anticipated being completed by the end of March 2017, and subsequently impacted on the revised spend profile in 2016/2017 were delayed. These issues are now resolved and the scheme is currently forecasting an overall balanced position.

### Financial

Actual expenditure for 2016/17 on this scheme totals £0.218M (against approved plans of £0.476M), giving an in-year variance of (-£0.258M). This scheme is currently forecasting an overall balanced position.

### Future Outlook

M1 Junction 36 (Phase 1 Hoyland)

- Funding Agreement / Development Agreements all signed March 2016
- Highways Infrastructure Works – Started on Site – End of May 2016
- Highways Infrastructure Works – Due for Completion Summer 2017
- Local Plan – programmed for Adoption late 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 2018/19
- 3rd Party Employment Sites Infrastructure Works - completed 2024

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

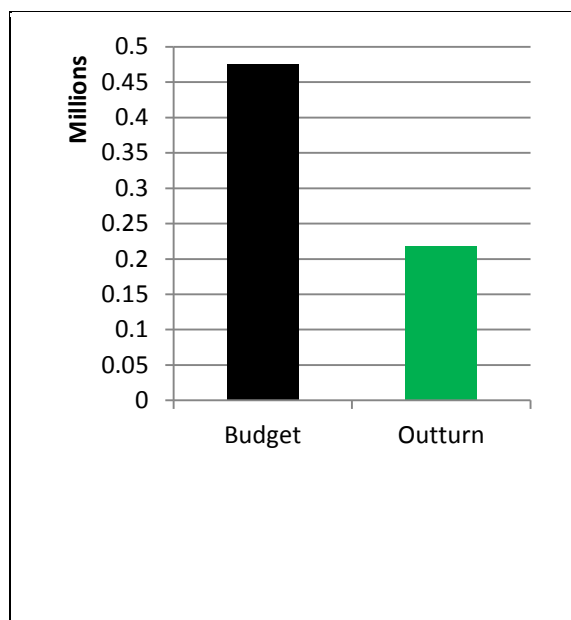
- Traffic Modelling works to be completed by Autumn 2016
- Transport Options to be designed and costed by March 2017
- BMBC Local Plan expected to be adopted late Summer 2017
- 1B Business Case Submitted Autumn 2017 (Aligned with the Local Plan Timescales and subject to Local Plan Adoption)
- Funding Agreement / Development Agreements signed Spring 2018 (allowing 9 months post Local Plan anticipated adoption period)
- 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 completed – 2020/2021

#### M1 Junction 37

- 1A SCRIF Business Case to proceed to 1B full business case
- Transport Options to be fully designed and costed March 2017
- BMBC Local Plan expected to be adopted Summer 2017
- 1B Business Case Autumn 2017 (Aligned with the Local Plan Timescales and subject to Local Plan Adoption)
- Funding Agreement / Development Agreements signed Spring 2018 (allowing 9 months post Local Plan anticipated adoption period)
- 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

- 2016/17 Budget - £0.476M
- Actual Spend - £0.218M
- In-Year Variance - (£0.258M)



### Outputs / Outcomes

#### M1 Junction 36 (Phase 1 Hoyland) (123 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 floor space (by 2033)

#### M1 Junction 36 (Phase 2 Goldthorpe) (73 hectare proposed allocation plus a further 98 hectare reserved)

- 3,453 direct jobs (based on 73 hectare allocated)
- 207,180 sqm of commercial floor space (based on 60sqm per job) by 2033

#### M1 Junction 37 (85.85 hectare)

- 3,851 direct jobs
- 231,060 sqm of commercial floor space (based on 60sqm per job) by 2033
- 1690 new homes

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

## **M1 Junction 36 Phase 1 Hoyland – SCRIF element**

### **Overview**

This site will be allocated as part of the emerging draft Local Plan 2014-2033, which is currently out for consultation as a publication version. The proposed infrastructure would be funded by Sheffield City Region Investment Fund and the Jobs and Business Plan together with private investment in the sites. This project will contribute significantly to the Council's aspiration of creating 17,500 new jobs over the next 20 years.

### **Financial**

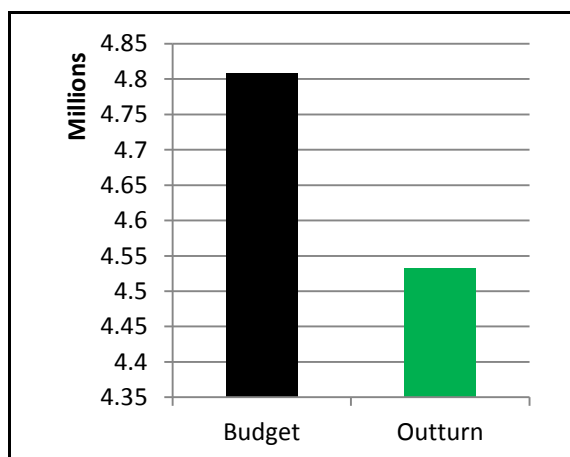
Actual expenditure for 2016/17 on this scheme totals £4.532M (against approved plans of £4.808M), giving an in-year variance of (-£0.276M). This scheme is currently forecasting an overall balanced position.

### **Future Outlook**

- Funding Agreement / Development Agreements all signed March 2016
- Highways Infrastructure Works – Started on Site – End of May 2016
- Highways Infrastructure Works – Due for Completion Summer 2017
- Local Plan – programmed for Adoption Autumn 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 2018/19
- 3rd Party Employment Sites Infrastructure Works - completed 2024

### **Financials**

- 2016/17 Budget - £4.808M
- Actual Spend - £4.532M
- In-Year Variance - (£0.276M)



### **Outputs / Outcomes**

#### **M1 Junction 36 (Phase 1 Hoyland) (123 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 floor space (by 2033)

*NB. Outputs and outcomes are linked to the areas allocated through the Local Plan process and are still subject to change. NB Figures in this box are still to be revised to reflect [local plan](#) publication version.*



## **OUTCOME 3 – DEVELOP A VIBRANT TOWN CENTRE**

### **1. Financial Position**

The table below summarises the closing position for Outcome 3, for the 2016/17 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / FINANCE, ASSETS & IT	10.948	10.888	(0.060)	33.364

### **2. Significant Schemes**

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

Scheme / Programme	Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
<i>Town Centre Redevelopment</i>	CORE	9.025	9.456	0.431	32.444
<i>Delivery of New Retail &amp; Leisure Facilities</i>	PLACE	1.870	1.432	(0.438)	0.867

### **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 the demolition of May Day Green shops. The new Market Gate car park opened in May 2016, followed by the new temporary May Day Green market in September 2016 and Market Parade in March 2017.

The design process is currently at RIBA Stage 4 for the Library, RIBA 4 for the Metropolitan Centre and RIBA Stage 2 for the public realm. The reserve matters planning applications for the Library and Metropolitan Centre The main contractor Henry Boot was appointed in February 2016. Planning approval for the Library is anticipated to be approved in October 2016.

The construction of the new library is due to start in May 2017 following completion of the excavation works on site and completion of Party wall agreements. The demolition of the Kendray street shops is complete and has now formed a temporary site compound for Henry Boot. The demolition of the TEC building offices will be complete in June 2017.

All retail units in the Metropolitan centre closed at the end of January 2017 and the building was handed over to Henry Boot Construction in March 2017 to start asbestos removal, soft strip and demolition. The markets will relocate back into the Metropolitan centre summer 2018.

### Financial

Actual expenditure for 2016/17 on this scheme totals £9.456M (against approved plans of £9.025M), giving an in-year variance of £0.431M. The overspend relates to the construction of Market Parade which was not part of the original programme of works but was essential to enable the contractor to efficiently refurbish the Metropolitan centre and to keep the market operating. There have also been additional costs relating to design fees being brought forward to meet revised programme requirements.

This scheme is currently forecasting an overall balanced position.

### Outcomes / Impact

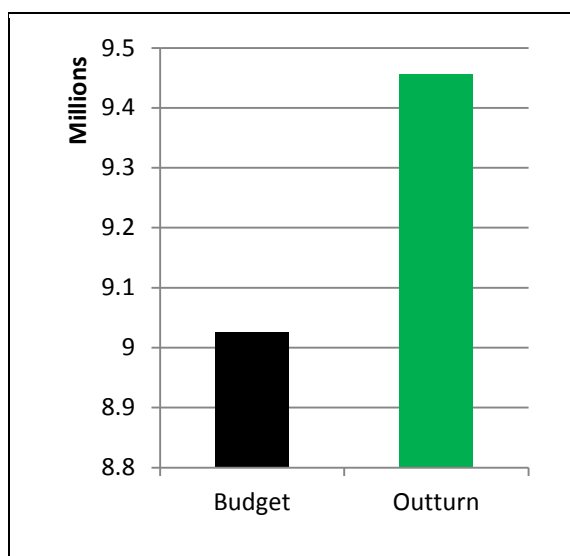
See below

### 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 public realm 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

- 2016/17 Budget - £9.025M
- Actual Spend - £9.456M
- In-Year Variance - £0.431M



#### Outputs / Outcomes

- a) Approximately 27,017sqm Brownfield land reclaimed / redeveloped.
- b) Demolition of approximately 33,000sqm of floorspace.
- c) Up to 12,000sqm of refurbished retail / market floorspace.
- d) 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.
- e) Creation of a 3,000sqm new public library
- f) Creation of a new public square
- g) Creation of new public car park
- d) Job creation through new retail / commercial development.
- e) Regeneration of the town centre to encourage wider growth and investment in Barnsley.
- f) Local supply chain opportunities in construction activity.
- g) Training opportunities through construction activity.

### Delivery of New Retail & Leisure Facilities

#### Overview

The Council has engaged 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

- Integration of phase one and phase two of the scheme
- Detailed discussions with cinema operators and key retailers
- Development of a financial appraisal of the scheme
- Early work to promote the scheme to potential financial investors
- First draft of the business case to capture the proposed scheme that will be delivered.

#### Financial

Actual expenditure for 2016/17 on this scheme totals £1.432M (against approved plans of £1.870M), giving an in-year variance of -£0.438M. 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.

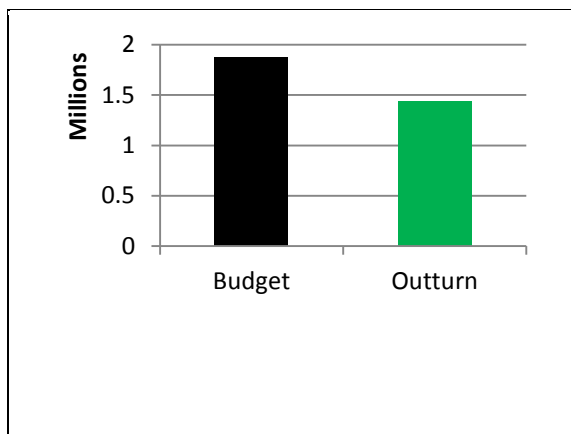
#### Future Outlook

- 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

Following the Council's decision to fund the scheme the Council is currently reviewing Development Management Services required to see the scheme through to completion.

#### Financials

- 2016/17 Budget - £1.870M
- Actual Spend - £1.432M
- In-Year Variance - (£0.438M)



#### Outputs / Outcomes

- Estimated 846 permanent retail and leisure jobs to be created along with estimated 1694 construction jobs and additional safeguarded jobs within the market.
  - Approx 272,000 sq ft of new retail and leisure space in the town centre.
  - Estimated £75M private investment to be secured.
  - Increase in town centre footfall from estimated baseline of 7m
  - Increase in weekly footfall in the town centre between 5pm and 9pm from 5,310 per week
  - Increase in number of town centre shoppers
- Increase in average town centre dwell time from baseline position of 88 minutes

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

### **1. Financial Position**

The table below summarises the closing position for Outcome 5, for the 2016/17 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / COMMUNITIES / HRA	29.853	29.251	(0.602)	146.477

### **2. Significant Schemes**

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

Scheme / Programme	Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
<i>Barnsley Homes Standard / Decent Homes</i>	HRA	12.148	12.654	0.506	77.562
<i>Non Barnsley Homes Standard</i>	HRA	5.114	5.494	0.380	29.094
<i>New Build / Acquisitions</i>	HRA	6.262	4.760	(1.502)	13.284

### **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 (BHS) Programme improves these properties in planned improvement programmes and based on a whole house approach or elemental basis as appropriate.

#### **Financial**

Actual expenditure for 2016/17 on BHS schemes totals £12.654M, against approved 2016/17 plans of £12.148M, giving an in-year variance of £0.506M. Whilst an overall balanced position is forecast, £0.352M rephasing into 2016/17 from 2017/18 and £0.154M revised costs are reported as part of this report.

The majority of the latter relates to the 2016/17 BHS Elsecar scheme. In February the GMP was agreed; scheme costs increased by £0.124M. These can be funded from within existing approved resources.

The rephasing is predominantly on the 2016/17 Cudworth/Shafston, Hoyland and Elsecar schemes and property surveys for the 2017/18 schemes which are now more detailed and across a larger number of schemes. Good site progress on the 2016/17 approvals, accelerated due to good weather, along with some extra works resulted in spend being higher than anticipated in the financial year but remaining within approved GMPs.

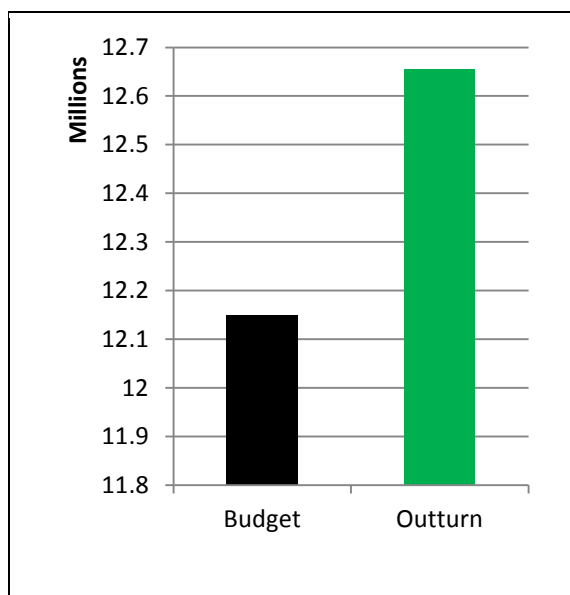
#### **Future Outlook**

At this stage there are no significant issues that pose any delays to delivery of the BHS programme. Surveys for the 2017/18 programme (12 schemes) are well advanced and the programme is on schedule for an early April 2017 start. The 2017/18 addresses have been published on the Barneslai Homes website and all tenants included in the programme have been written to. The Customer Choice/Information events have been held for the first two schemes on the 2017/18 programme. The works will be undertaken by Barneslai Homes stock maintenance partners, Kier Building Maintenance, Barneslai Homes Construction Services or other specialist contractors for any elemental schemes.



## Financials

- 2016/17 Budget - £12.148M
- Actual Spend - £12.654M
- In-Year Variance - £0.506M



## Outputs / Outcomes

the housing stock is maintained at Decency Standard, improves the quality and lifetime of social housing, ultimately delivering sustainable communities.

- The 2016/17 BHS programme planned for works to 958 properties to maintain the decency standard. Works have continued to progress well and all schemes in the 2016/17 programme achieved practical completion before March 31<sup>st</sup> 2017.
- On certain schemes and larger properties within the BHS programme, air source heat pumps instead of traditional boilers are being 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.

## Non Barnsley Homes Standard Schemes

### Overview

The Non BHS schemes incorporated in the PRIP 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 for 2016/17 on these demand led schemes totals £5.494M against plans of £5.114M, giving an in-year variance of £0.380M. It should be noted that plans include £0.147M approved for major structural works to 3 properties at Probert Avenue financed from available unallocated resources in the HRA Capital Programme.

Within the £0.380M in-year variance, £0.137M and £0.089M respectively relates to rephasing into 2016/17 from 2017/18 on Major Adaptions and Replacement Items owing to the increasing volume and scope of works required in the final months of the year.

Approval is sought via this report for the virement of £0.146M to the Structural Extensive / Void Replacement budget from the Replacement Items budget; with Increases in the volume of jobs required, of which a number were higher value, necessitating the adjustment. Charges on the March invoice from contractors were substantially higher than any previous months.

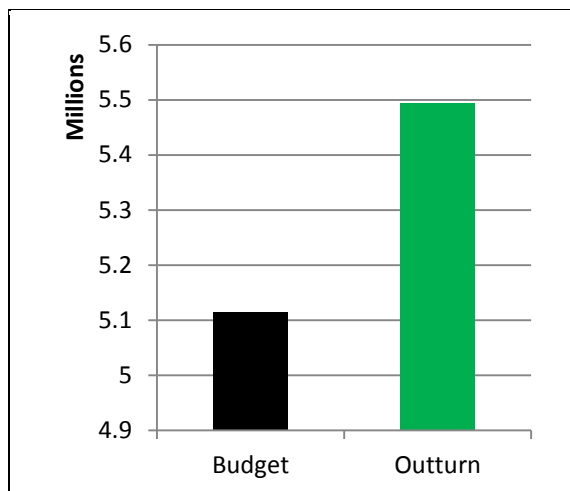
### Future Outlook

Predicting the outturn of these demand led budgets with certainty is difficult as both the quantity and scope of works vary. The 2017/18 budgets will be reviewed and realigned based on recent annual outturn trends and anticipated demand levels for the year.



## Financials

- 2016/17 Budget - £5.114M
- Actual Spend - £5.494M
- In-Year Variance - £0.380M



## 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 in 2016/17 is as follows:-

- 444 properties benefitted from major adaptation works.
- 1,315 jobs ordered against the replacement items budget.
- 266 jobs ordered against the structural extensive / void replacement budget.

This compares to 513 properties last year for major adaptations, 1,195 replacement items jobs and 166 structural extensive / void replacement jobs, noting that this does not reflect the scope of the works.

## New Build Schemes

### Overview

BMBC is committed to an acquisition (properties on the open market) 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, supporting the Council's Empty Homes programme (reduction), and increasingly Section 106 New Build acquisition of properties from Housing Developers.

### Financial

Actual expenditure for 2016/17 on New Build schemes totals £3.255M against approved 2016/17 plans of £4.157M, giving an in-year variance of -£0.902M. The schemes are currently forecasting an overall balanced position, although slippage to 2017/18 is reported as part of this report. Construction of the Section 106 New Build properties at Hartcliffe Road Penistone, Cross Street Monk Bretton and Carr Lane Mapplewell by private Developers has been slower than they programmed, accounting for -£0.500M, -£0.300M and -£0.103M slippage respectively.

Actual expenditure for 2016/17 on Single Property Acquisitions totals £1.505M, against approved 2016/17 plans of £2.105M (including (£0.250M section 106 monies transferred from General Fund), giving an in-year variance of -£0.600M. Whilst an overall balanced position is forecast, -£0.600M slippage to 2017/18 is reported as part of this report. Significantly fewer opportunities to acquire suitable properties in the latter part of the year materialised than anticipated.

### Future Outlook

The New Build development at Roy Kilner Road, Wombwell 37 units was completed and brought into management in August 2016. The Meadow View Hoyland project of 4 houses was completed in January 2016. The Green Street, Worsbrough scheme (6 units) was completed in early September 2016. The conversion of 39 Huddersfield Road (5 Units) was completed in September 2016. In total 52 "new" housing units have delivered in 2016 through this route.

We are working in partnership with the BMBC Housing Growth team on two new build projects linked to Clearance schemes and Compulsory Purchase Orders in Goldthorpe (6 units) and Worsbrough (6 units). The Goldthorpe Scheme is included with the HRA Capital Programme with £1M earmarked in 2017/18.

The Worsbrough Scheme is not part of the HRA Capital Programme and expenditure can only be contained from within the HRA Reserve Fund. Planning approval was given for Beaver Street, Goldthorpe in September 2016 and is awaited for Baden Street. Both CPO applications were submitted in August 2016. Baden Street has been approved and Beaver Street is subject to final confirmation in April 2017.

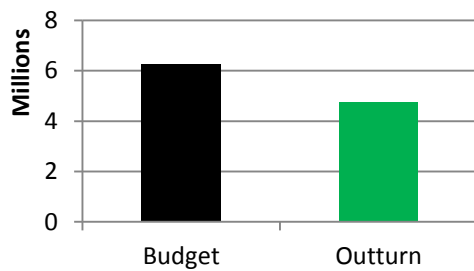
Any future New Build schemes will only be possible if money is identified by the Council from within the HRA Reserve

Fund.

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

### Financials

- 2016/17 Budget - £6.262M
- Actual Spend - £4.760M
- In-Year Variance – (£1.502M)



### 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 included an approved proposal to build 52 new homes. These have now been delivered.
- 10 Section 106 New Build properties have also been handed over from the private Developer.
- 25 single properties have been acquired in 2016/17 and are expected to generate £0.118M HCA Empty Homes Grant / S106 monies. This compares to 30 property acquisitions in the year 2015/2016 generating £0.087M grant. 4 properties have also been identified for conversion (commercial to residential) with £0.060M HCA Empty Homes Grant expected in relation to the work.

## **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.

Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
PEOPLE / PLACE / FINANCE, ASSETS & IT	7.494	6.947	(0.547)	5.389

### **2. Significant Schemes**

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

Scheme / Programme	Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
<i>School Condition</i>	People	1.653	1.601	(0.052)	1.241
<i>Additional Pupil Places</i>	People	4.528	4.273	(0.256)	3.695

### **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 2016/17 on this scheme totals £1.601M (against approved plans of £1.653M), giving an in-year variance of -£0.052M. This variance predominantly relates to scheme slippage (Appendix B refers).

#### **Outcomes / Impact**

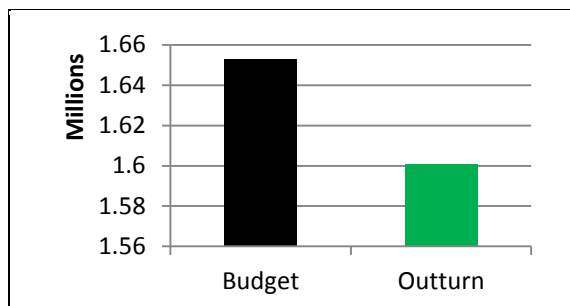
In total there were 17 Capital New Starts Schemes to be completed over the 2016 Summer Holiday period. Despite technical problems with a number of schemes, the whole school condition programme was complete on the 31<sup>st</sup> October 2016.

#### **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

- 2016/17 Budget - £1.653M
- Actual Spend - £1.601M
- In-Year Variance - (£0.052M)



## Outputs / Outcomes

- The condition of 16 schools were significantly improved
- 100% of schemes completed by 31<sup>st</sup> October 2016

## **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. 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 2016 and planning for future need in 2017 and 2018. A number of schemes are currently on site which will increase school capacity in readiness for children starting school in September. Included within these are the projects phased over a number of year with future phases to follow in 2017 and 2018.

### Financial

Actual expenditure for 2016/17 on this scheme totals £4.273M (against approved plans of £4.528M), giving an in-year variance of -£0.256M. 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 schemes that make up the Capital Programme for Additional Pupil Places, 5 relate to schemes that provided Reception places for 1st September 2016. These schemes were a mixture of refurbishment and new build.

The 5 schemes relate to projects at Wombwell Park Street Primary, Churchfield Primary, Hunningley Primary, Penistone St Johns Primary and Thurlstone Primary. All schemes have now been completed and handed over to the school.

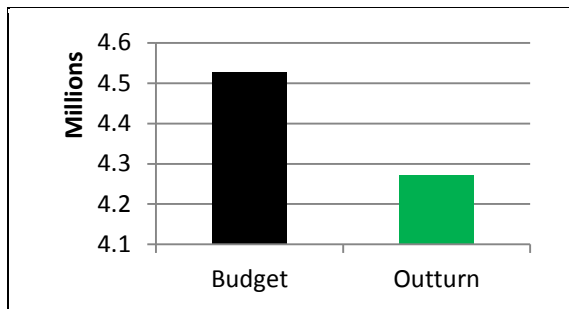
A 2<sup>nd</sup> Phase of works at Hunningley has started on site and will be complete for the end of August 2017. Construction work has also started on the final phase of works at Penistone St. Johns Primary (Infant Block) and Milefield Primary. The Milefield project is still on programme to be complete during October 2017, due to the complex and phased delivery of the scheme. Penistone St. Johns 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

- 2016/17 Budget - £4.528M
- Actual Spend - £4.273M
- In-Year Variance - (£0.256M)



## 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 2016/17 financial year. A full list of schemes at outcome level is provided in Appendix A with the variance analysis shown in Appendix B.

Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
PLACE / COMMUNITIES / FINANCE, ASSETS & IT	14.020	11.299	(2.721)	3.078

### **2. Significant Schemes**

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

Scheme / Programme	Directorate	2016/17 Capital Programme £M	2016/17 Outturn £M	2016/17 Variance £M	Later Years Capital Programme (indicative) £M
<i>Highways Maintenance</i>	Place	8.055	7.334	(0.721)	-
<i>Vehicle Replacement Programme</i>	Place	2.089	-	(2.089)	2.089

### **Highways Maintenance Schemes**

#### **Overview**

Highways Maintenance schemes cover a number of different infrastructure asset types including carriageways (local and principal roads), footways, structures (bridges/retaining walls etc.), town centre projects, drainage, street lighting, traffic signals and signs. These schemes maintain and improve these infrastructure assets. These schemes are funded from the Council's highways maintenance capital allocation and the Local Transport (DfT) Capital Maintenance Block grant, which are annual allocations.

#### **Financial**

Actual expenditure for 2016/17 on this scheme totals £7.334M (against approved plans of £8.055M), giving an in-year variance of -£0.721M. This variance predominantly relates to variation in scheme costs (Appendix B refers).

#### **Outcomes / Impact**

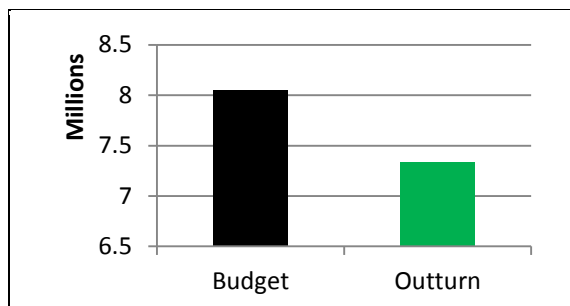
These schemes will continue to deliver Town centre public realm improvements to further enhance its attractiveness and encourage private sector investment thereby enhancing the current visitor and retail experience. It will also ensure that the highway network is safely maintained to ensure minimum disruption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

#### **Future Outlook**

Resources will continue to be prioritised to schemes to ensure that assets are maintained in the most cost effective manner.

### Financials

- 2016/17 Budget - £8.055M
- Actual Spend - £7.334M
- In-Year Variance - (£0.721M)



### Outputs / Outcomes

- Improved road safety
- Improved network condition
- Contributes to increase town centre patronage

## 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 2016 to 31<sup>st</sup> March 2017.

### Financial

Actual expenditure for 2016/17 on this scheme totals £0M (against approved plans of £2.089M), giving an in-year variance of -£2.089M. This variance relates to scheme slippage (Appendix B refers). This slippage relates to delays in the ordering process caused by the complexities of balancing tight budgets with service needs. Vehicles to a value of £1.87 have now been ordered and are due for delivery within the next six months.

### Outcomes / Impact

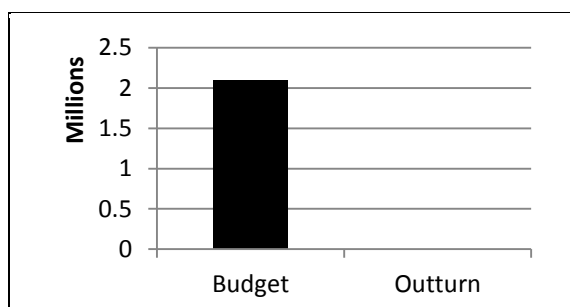
See below

### Future Outlook

N/A

### Financials

- 2016/17 Budget - £2.089M
- Actual Spend - £0M
- In-Year Variance - (£2.089M)



### 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