

SCRUTINY COMMISSION - 18TH JULY 2007

REPORT OF THE DIRECTOR OF RESOURCES

PRELIMINARY REVIEW OF THE 2007/8 CAPITAL PROGRAMME

Purpose

1. To provide members with an early indication of any major issues with delivery of the 2007/8 capital programme.

Background

2. This report is the first in a planned series of four monitoring reports to this committee. The report largely concentrates on known major issues associated with the new starts component of the programme and is not based upon a detailed review of every project within the programme.
3. **Children & Young People Service**

Oadby Brocks Hill

Property Modernisation Funding – within this block allocation, a major project to remove asbestos at the above school is forecast to exceed available resources by £220,000. There is the possibility of savings elsewhere within the CYPS capital programme; however it is too early in the financial year to finalise these. Officers will continue to identify compensating savings, however if these cannot be found, the capital programme will need to be reconfigured in 2008/09 to fund these additional costs.

Oadby Gartree High School

The demolition of the former high school has now been deferred until early 2008 resulting in slippage of £300,000 whilst work to remove asbestos at Oadby Brocks Hill Primary is completed. During the asbestos removal, pupils from this school will temporarily occupy part of the former Oadby Gartree High School. These works are planned to be completed in December 2007.

Children's Centres

The phase 1 programme including new Children's Centres at Coalville Warren Hills (cost £1.1m) and Loughborough Cobden Primary (cost £1.3m) was completed in 2006/07. The phase 2 programme involving the development of 24 new Children's Centres, refurbishment of schools to support extended school services and extend

early years provision, is grant funded on a spending pattern which was considered unreasonable due to the extensive consultation processes required. During 2006/07 the County Council and many other local authorities made the DfES aware that the spending patterns were unreasonable. In response, confirmation was received from the DfES that the allocated funds could be carried forward into 2007/08.

A total of 18 new Children's Centres have been designed and are programmed to be completed during 2007/08. The remaining 6 are subject to ongoing work that may not be completed in 2007/08. The deadline for grant funding is 31 March 2008 with potential to slip resources by 6 months if compensating phase 3 projects can be brought forward and officers within CYPS are reviewing this possibility. Phase 3 starts in 2008/09 and will involve similar projects to extend the number of children's centres nationally, however further clarification and details will not be announced until later in the year. If work is completed to schedule there will be considerable acceleration of expenditure compared to that profiled in the capital programme. A further update will be provided in the second review.

Other

The Authority will receive an ICT capital grant of £87,000 for Mobile Technology for Children's social care. The project includes improved mobile ICT infrastructures including broadband access and equipment such as laptops and personal digital assistants for children's social workers. The expenditure will occur in 2007/08,

4. Highways and Transport

Earl Shilton Bypass

Final approval was awarded in June 2007 with the DfT providing a total funding contribution of £14.797m towards the cost of the scheme. The 5km single carriageway will remove heavy traffic from the town centre and will not only reduce noise and pollution for local residents but will also create a much safer environment for the town's cyclists and pedestrians. Construction will commence this year, for the scheme to be opened to traffic by late 2008.

Rearsby Bypass – Part One Claims

It has been projected that £160,000 in claims for noise pollution will be paid in 2007/08. Compensation on the above scheme has increased due to increases in house prices since the last estimate. The general level of settlements has increased as well, meaning higher payouts and more houses being within the scope of compensation. This extra cost will be financed from the reserve created for Major Road Developments.

Other

Initial indications show that there will be acceleration in expenditure of £200,000 due to good progress in both the improvements and maintenance programmes.

5. **Adult Social Care**

Care Home Improvements

The County Council has recently been informed that it will receive a £650,000 grant to enhance the physical environment in care homes registered to provide nursing or personal care, where the majority of places are for older people. Within the County, over 70 independent homes all made bids which have been approved by the Department of Health and all funds have been now been allocated to ensure grant conditions are met by spending all resources within the 2007/08 financial year.

Learning Disabilities Integration

The Leicester County & Rutland PCT has provided additional funding of £150,000 to the County Council for projects in the learning disabilities services area. The department is currently in the process of planning the allocation of these resources which will include upgrade and refurbishment works. It is anticipated that all these resources will be spent in 2007/08.

Major Schemes

- There will be some slippage in the expenditure profile for the learning disabilities modernisation programme for the South Charnwood area and the replacement of Norman Way Day Centre due to the timing of the retention payment.
- Potential delays to the commencement of refurbishment work at Coalville Day Centre could result in slippage on the learning disabilities modernisation programme for North West Leicestershire.

6. **Community Services**

The department has identified two additional projects for inclusion within the 2007/08 capital programme relating to Snibston Discovery Park:

- Fencing (costing approximately £100,000) - the purpose of the expenditure is to provide fencing to improve security; reduce potential for further traveller incursions and the clean up costs associated with them; reduce vandalism costs and to protect the future investment in the park as part of the programme of development recently supported by Cabinet.
- Phase 2 Foyer Mezzanine (costing approximately £100,000) - the purpose of the expenditure is to: provide additional flexible space for use as eating areas which are currently in short supply; provide break-out areas for conference room users; provide further exhibition space and to support part of the future plans to increase out of hours usage for events/parties which will increase income streams.

The borrowing costs of these projects will be financed from within the Snibston Revenue budget.

As a result of the main contractor for the Bosworth Battlefield visitor centre going into liquidation it is likely that its' opening will be delayed until the Autumn.

7. Corporate Resources

County Hall

The redevelopment of the sports facilities and playing fields is projected to commence this year providing planning permission is obtained over the summer. Ground works and provision of the 'multi use games area' will commence this year but the pavilion is likely to follow in the next financial year.

8. Capital Receipts

Risk remains around the capital receipt expected from the sale of the playing fields land at County Hall.

9. Conclusion

The report sets out the key issues at this early stage but a clearer picture will emerge when the second review is undertaken and reported in November 2007.

Background Papers

None.

Circulation under Sensitive Issues Procedure

None.

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