



CABINET

13 DECEMBER 2016

DIRECTOR OF FINANCE: DAMON LAWRENSON

CABINET MEMBER WITH RESPONSIBILITY FOR FINANCE: COUNCILLOR ROBIN BROWN

Subject:	Monthly Capital Report (MCR) as at the end of October 2016 (Period 7) for the financial year ending 31 March 2017.
Recommendations:	<p>Cabinet is requested to:</p> <ol style="list-style-type: none"> 1. Note the current capital forecast expenditure outturn of £176m for the financial year 2016-17. 2. Approve and recommend the inclusion of one new scheme with investment totalling £220,000 to enable entry into the Council's Committed Capital Programme: <ol style="list-style-type: none"> i. DSG Childrens Centres to Childcare £220,000 3. Approve capital investment totalling £2,274,209 to promote two schemes included in the Capital Strategy 2016-17 <ol style="list-style-type: none"> i. Country Parks Equipment £60,000 ii. Capitalisation of Community Equipment £2,214,209 4. Approve further extensions to two schemes already within the current Capital Programme totalling £429,015: <ol style="list-style-type: none"> i. LTP Integrated Transport £276,925 ii. Belinda Ferrison House £152,090 <p>(further detail on all of the above schemes can be found in section 9)</p>

1. Purpose of Report

- 1.1 The report sets out the current financial position of the Council's Capital Programme in total, by service area and on a scheme by scheme basis.
- 1.2 Cabinet is formally requested to give approval for entry into the Council's Committed Capital Programme of capital schemes following recent recommendation at the monthly meeting of the Capital Programme Board.

2. How this decision contributes to the Council Plan

- 2.1 The Council's vision is to make Northamptonshire a great place to live and work. This is achieved through increasing the wellbeing of your county's communities and/or safeguarding the county's communities.

This initiative specifically delivers increased wellbeing and/or safeguarding by ensuring that:

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| <ul style="list-style-type: none"> • People of all ages are safe, protected from harm and able to live happy, healthy and independent lives in our communities. • People have the information and support they need to make healthy choices and achieve wellbeing. |
|--|

- People achieve economic prosperity, in a healthy, low carbon economy which give access to jobs, training and skills development.
- Communities thrive in a pleasant and resilient environment, with robust transport and communications infrastructure.
- Resources are utilised effectively and efficiently, in coordination with partners and providers.

And Through:

- Exploitation of Technology
- Intelligence Led Services
- Next Generation Working
- Ambitious Partnerships
- Use of the Asset Utilisation Strategy
- Commissioning and Market Developments
- Self-Financing

3. Background

- 3.1 The current external funding environment and continued announcements from central government on capital schemes also highlight the need to ensure that appropriate monitoring, governance and approval of the Council's Capital Programme is undertaken.
- 3.2 Due to the significant levels of capital investment prioritised by the Council and as a key enabler in the growth, prosperity and economic wellbeing of the County the Council considers that a separate Capital Programme monitoring report is produced, reviewed and approved by Cabinet monthly in line with reporting on revenue expenditure.

4. Consultation and Scrutiny

- 4.1 This report has been produced in consultation with the NCC Group Management Board and the Directors of each of the Delivery Vehicles. The NCC Group Management Board is comprised of the Chief Executive, the Strategic Commissioners for People Services and Place Services, and the Director of Finance (S151 Officer). The report will also be subjected to scrutiny through the Finance Improvement and Performance Working Group.

5. Equality Screening

- 5.1 This report is for information purposes only and no Equality Impact assessment is required.

6. Alternative Options Considered

- 6.1 It is considered as best practice to brief members and report the latest budgetary position to Cabinet on a regular monthly basis, rather than less frequently, for example, quarterly. It also meets the Financial Regulations requirement to ensure the provision of financial information and compliance with financial management standards.

7. Executive Summary

- 7.1 The forecast outturn expenditure on the Council's Capital Programme stands at £176m for the financial year 2016-17. The forecast outturn by service area can be found in Table 3 on page 8 with more detailed summaries explaining the significant variances and movements occurring within each service area set out in Section 8.

- 7.2 Following Capital Programme Board, Cabinet are formally requested to approve one new scheme, the promotion of two schemes and the extension of two schemes totalling £2,923,224 detailed in Table 4 on page 16.
- 7.3 Expenditure across all projects within the Capital Programme to period 7 totals £69.5m or 40% of the total forecast outturn. This is in comparison to 41% at this time last financial year where an outturn of £123m was forecast at period 7. Last year's final outturn was £111m due to slippage and movements on schemes during the second half of the year, of which a large part of the slippage was Project Angel.

Capital Budget 2016-17

- 7.4 The Council's Capital Strategy 2016-17 to 2020-21, agreed by Council on 29 February 2016, approved a forecast capital programme of £736m (the Committed Capital Programme plus the Development Pool) over the five year plan period. The Capital Strategy also approved a Discretionary Funding Pot totalling £24.03m available for prioritisation against key Council capital investment schemes over the Medium Term Financial Plan (MTFP) period.
- 7.5 Table 1 below provides the detailed scheme by scheme prioritised balances against the £24.03m agreed by Council into the Development Pool, the approvals to date including those reported in this paper and the remaining balances to be progressed through the Council's capital approval routes for Cabinet approval.

Discretionary Funding Pot	Budget 2016-17 to 2020-21 £000	Cabinet Approvals To Date £000	Prioritised Balance 2016-17 £000	Prioritised Balance 2017-18 £000	Prioritised Balance 2018-19 to 2020-2021 £000	Prioritised Balance Available £000
Project Angel & NGW IT	1,846	1,846	0	0	0	0
Chester Farm	4,925	4,925	0	0	0	0
Property Minor Works	5,200	0	1,000	1,200	3,000	5,200
Highway Management	6,150	0	0	0	6,150	6,150
IT Infrastructure	4,160	330	670	690	2,470	3,830
A361 Chipping Warden Relief Road	996	0	996	0	0	996
Daventry Library Fit Out	629	0	0	429	200	629
A14 Cambridge to Huntingdon Improvement Scheme	120	0	0	0	120	120
Total Discretionary Funding Balance	24,026	7,101	2,666	2,319	11,940	16,925

Table 1 - Summary of Discretionary Funding Pot approved by Council in February 2016

7.6 In addition to discretionary approvals the Council has also prioritised £2.00m of innovative capital funding over the plan period toward schemes within the Development Pool, detailed in Table 2.

Development Pool Innovative Funding Prioritisation	Budget 2016-17 to 2020-21 £000	Cabinet Approvals To Date £000	Prioritised Balance 2016-17 £000	Prioritised Balance 2017-18 £000	Prioritised Balance 2018-19 to 2020-21 £000	Total Prioritised Balance Available £000
Superfast Broadband	2,000	2,000	0	0	0	0
Total Discretionary Funding Balance	2,000	0	0	0	0	0

Table 2 – Summary of Development Pool Innovative Funding approved by Council in Feb 2016

7.7 These schemes support the Northamptonshire economy with key infrastructure projects that act as a catalyst to wider economic growth. Individual invest to save projects also contribute to Council efficiency savings to enable budgetary targets to be delivered. These assist in the Council being able to reduce revenue levels in line with grant reductions and ongoing austerity measures.

7.8 Approved Capital Programme Sources of Funding

Type of Funding	%	Key Schemes
Prudential Borrowing	26%	Project Angel, Highway Asset Management & Maintenance Investment, East Northants Schools Restructure, Superfast Broadband
Other Grants	20%	Northampton International Academy, Corby Link Road, Superfast Broadband, Daventry Development Link, DFE Kitchen grant
S106	14%	
DFE Grants	14%	Includes Basic Need
DFT Grants	10%	Includes Integrated Transport & Maintenance grants
Local Growth Fund (LGF)	10%	Daventry Development Link, A43 Northampton to Kettering Phase 1b, Stanton Cross, partner schemes Tresham & Moulton Colleges
Other Contributions to works	3%	Waterside Zone Access. Abington Street Works, Chester Farm
Other funding	3%	Invest to save, Innovative, Public Health grants, Capita disposal receipts, Schools contributions

Please note: some schemes benefit from more than one type of funding

7.9 Funding of the Capital Programme

The Councils Capital Strategy includes within it 'Golden Rules' agreed by the Council. Rule 1 states 'Northamptonshire County Council's annual discretionary capital financing costs (not including Invest to Save and Innovative type investment) should not rise above the self-imposed ceiling of 9% of its annual net revenue budget over the plan period and any future plan periods'

The Annual Treasury Strategy includes the supporting section to this below: 'Actual and estimates of the ratio of financing costs to net revenue stream. This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

This is calculated as the estimated net financing costs for the year divided by the amounts to be met from government grants and local tax payers (described in the budget report as the net budget requirements).

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Forecast	Estimate	Estimate	Estimate	Estimate	Estimate
7.1%	7.4%	8.2%	8.1%	8.3%	8.4%

This is an estimate only and the ceiling of 9% needs to be maintained over the life of the current plan period'

The Treasury Management report to November Cabinet showed an estimated position under its Affordability Ratios of 6.4% for 2016-17, a reduction of 1% from the Treasury Strategy published in February 2016.

7.10 Efficiency Statement and Flexible Use of Capital Receipts

As part of the Local Government Spending Review on 17 December 2015, the Government provided councils with the flexibility to utilise Capital Receipts for qualifying expenditure. This is to enable authorities to fund transformation and cost reduction programmes of reform from capital receipts in the years the flexibility is offered.

The capitalisation flexibilities have been explored in the context of the move to a Next Generation Council, set alongside the significant financial pressures that exist for 2016-17. As a result, the MTP includes the use of capital receipts to fund the Council's NGC transformation totalling £25.5m over the period with a suggested profile of £14.5m required for 2016-17, £9m for 2017-18 and £2m in 2018-19. This profile will be reviewed in line with receipts available and the progress made in delivering the county wide transformation programme.

There is a cost in using this flexibility since the capital receipts will no longer be available for use to fund the capital programme and repay borrowing as initially planned. As a result, in order to fund the capital programme commitments additional borrowing is required and therefore the capital financing costs have been included in the MTFP that was agreed at Cabinet in February 2016.

As part of period 6 monitoring there was a further review of all flexibilities and potential areas of savings and income in relation to the pressures being experienced within the revenue budgets. Resulting from this a further £6.5m of capital receipts was identified as being within the disposals programme to be achieved in 2016-17. This brings the total proposed to be utilised under this flexibility to £21m in 2016-17.

This increased use of capital receipts to support revenue under the government flexibilities was recommended to Cabinet and went to Full Council as part of the Efficiency Plan Report.

Latest forecasts suggest the £21m is achievable based on the current disposals programme.

7.11 Forecast Capital Outturn 2016-17 by Service Area:

	Forecast Outturn 2016-17 £'000
Children's Services	60,675
Place Services	103,676
Adults Services	281
Wellbeing and Prevention Services	1,256
IT Infrastructure/Development	5,778
Property Maintenance	3,576
Chief Executive Services	364
Forecast Outturn Expenditure	175,606

The total 2016-17 forecast spend has now decreased by £8.5m since the start of the year/original budget. The main movements arise from:

1. Daventry Development Link Road (DDL) delay to main works start, now commenced. Reprofiting of £6.5m of expenditure to 2017-18. However, the project is still scheduled to be completed on time.
2. A431b Northampton to Kettering delay to main works start. Report was presented to June Cabinet to allow rephasing of works. Reprofiting of £3.2m of expenditure to 2017-18, replaced by works on the new rephased phase 2 totalling £4.5m
3. Northamptonshire Superfast Broadband Project delays to national procurement have led to a reprofiling of £4m of expenditure into 2017-18. However the project is still scheduled to be completed on time.
4. New funding allocations in respect of highways works from the Incentive Fund and the Pothole Fund resulting in new schemes and additional expenditure totalling £1.5m in 2016-17.
5. Radstone Fields School delays to start of works/reprofiling of expenditure resulting in slippage of £6.7m expenditure to 2017-18.
6. Pineham Barns School delays to start of works/reprofiling of expenditure resulting in slippage of £2m expenditure to 2017-18.
7. Wootton Hall Temporary School allocation of £3m grant for works to be completed for September 2016. New expenditure for 2016-17.
8. Tresham College Local Growth Fund Scheme £5.4m in 2016-17 from government grant allocated and administered via NEP.
9. Chester Farm Scheme £2.3m in 2016-17 with the main construction contract now awarded and on site.
10. Northampton International Academy delays to start of works/reprofiling of expenditure resulting in slippage of £7m expenditure to 2017-18.

Table 3 - Capital Expenditure Phasing Outturn Forecast (by Service) 2016-17

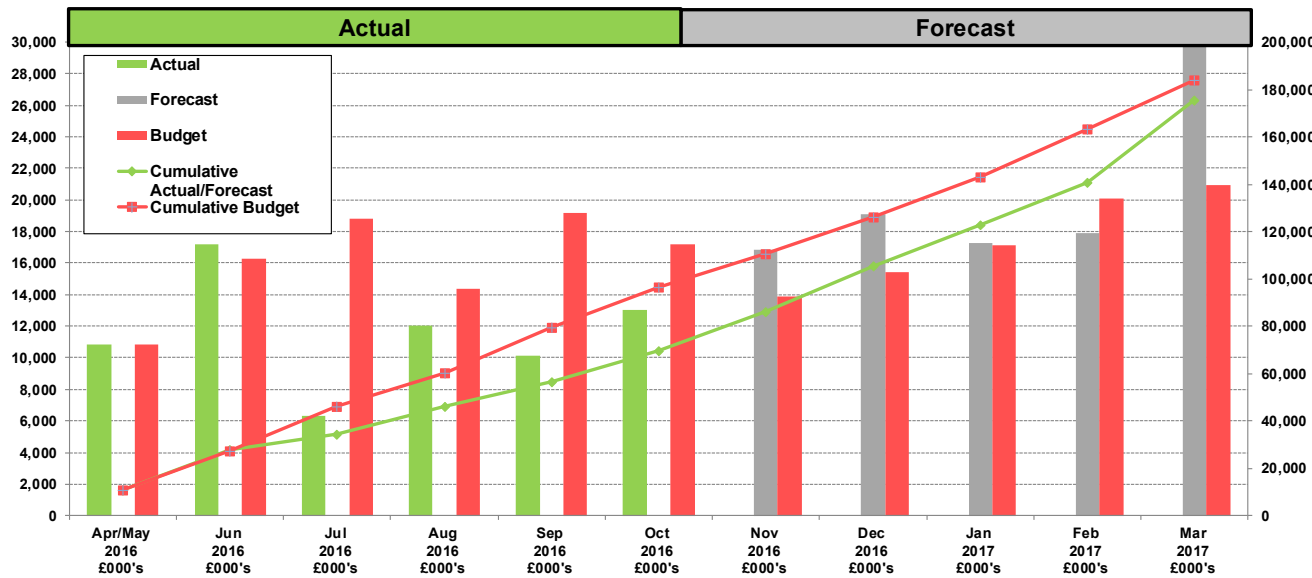


Period 7 - October 2016	Period 2												Period 3												Period 4												Period 5												Period 6												Period 7												Period 8												Period 9												Period 10												Period 11												Period 12											
	Approved Expenditure Budget	Actual Previous Years Expenditure	Actuals Apr/May 2016 £000's	Actuals Jun 2016 £000's	Actuals Jul 2016 £000's	Actuals Aug 2016 £000's	Actuals Sep 2016 £000's	Actuals Oct 2016 £000's	Forecast Nov 2016 £000's	Forecast Dec 2016 £000's	Forecast Jan 2017 £000's	Forecast Feb 2017 £000's	Forecast Mar 2017 £000's	Forecast Full Year 2016-17 £000's	Forecast 2017-18 £000's	Forecast 2018-19 £000's	Forecast 2019-20 £000's	Forecast 2020-21 £000's	Forecast 2021-22 £000's	Forecast 2022-23 & beyond £000's																																																																																																																
Place	378,846	195,394	6,950	12,976	1,609	7,666	5,761	7,386	8,635	11,419	9,049	9,040	23,186	103,676	59%	54,178	18,416	4,093	1,305	1,013	75																																																																																																															
Children, Families and Education	226,428	113,084	3,184	3,174	3,939	4,274	3,870	4,271	7,397	6,722	7,197	7,391	9,257	60,675	35%	46,240	3,246	319	300	0	0																																																																																																															
Adult Social Care Services	1,179	570	0	1	0	0	12	0	0	0	0	20	248	281	0%	326	0	0	0	0	0																																																																																																															
Public Health and Wellbeing	17,188	15,546	24	80	10	27	40	20	255	161	35	56	549	1,256	1%	27	0	0	50	0	0																																																																																																															
IT Infrastructure / Development	21,855	15,287	535	896	703	57	409	1,174	375	338	569	344	377	5,778	3%	799	0	0	0	0	0																																																																																																															
Property Maintenance	16,883	11,134	115	15	75	9	44	146	165	413	403	1,009	1,185	3,576	2%	2,007	250	0	0	0	0																																																																																																															
Chief Executive	2,982	2,471	17	25	8	14	9	11	21	17	21	16	204	364	0%	147	0	0	0	0	0																																																																																																															
Total	665,361	353,486	10,825	17,167	6,344	12,047	10,145	13,007	16,847	19,070	17,274	17,875	35,005	175,606		103,724	21,912	4,412	1,655	1,013	75																																																																																																															
Month %			6%	10%	4%	7%	6%	7%	10%	11%	10%	10%	20%																																																																																																																							
Cumulative %			6%	16%	20%	26%	32%	40%	49%	60%	70%	80%	100%																																																																																																																							
Cumulative Spend/Forecast			10,825	27,991	34,335	46,382	56,527	69,534	86,381	105,451	122,725	140,600	175,606																																																																																																																							

Forecast 2017-18 £000's	Forecast 2018-19 £000's	Forecast 2019-20 £000's	Forecast 2020-21 £000's	Forecast 2021-22 £000's	Forecast 2022-23 & beyond £000's
54,178	18,416	4,093	1,305	1,013	75
46,240	3,246	319	300	0	0
326	0	0	0	0	0
27	0	0	50	0	0
799	0	0	0	0	0
2,007	250	0	0	0	0
147	0	0	0	0	0
103,724	21,912	4,412	1,655	1,013	75
Full Capital Programme					308,397

Figures in £ 000's

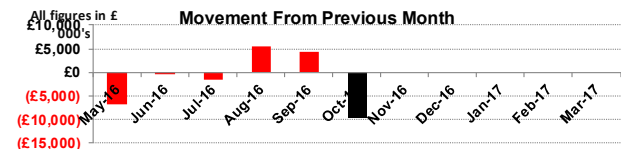
Phased Expenditure By Month



Financial Year 2016-17
Monitoring Progression - Forecast Outturn

All Figures in £	Forecast Capital Expenditure Outturn	Variance From Previous Month	Variance From Previous Month %	
1	Apr-16	184,145	n/a	n/a
2	May-16	177,328	-6,817	(3.7%)
3	Jun-16	176,872	-456	(0.3%)
4	Jul-16	175,287	-1,585	(0.9%)
5	Aug-16	180,833	5,546	3.2%
6	Sep-16	185,173	4,340	2.4%
7	Oct-16	175,606	-9,567	(5.2%)
8	Nov-16			
9	Dec-16			
10	Jan-17			
11	Feb-17			
12	Mar-17			

Total Movement In Year (8,539) (4.6%)



8. Detailed Service Reports

8.1 Children's Services

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
74,290	8,650	82,940	(22,265)	60,675

Children's Services Summary	£000's	%
Actual Cumulative Expenditure to Period 7	22.71	37%
Forecast Expenditure - Periods 8 to 12	37.96	63%
Forecast Outturn 2016-17	60.67	100%

Expenditure

Actual expenditure in the month totalled £4.27m, taking the cumulative actual expenditure at the end of period 7 to £22.71m, some 37% of the total forecast outturn for 2016-17.

The forecast outturn of £60.67m represents a decrease of £8.29m when compared to previous forecasts and relates to the following main scheme changes:

A decision not to currently continue the expansion of Moulton School & Science College due to value for money considerations results in a reduced forecast in 2016-17 of £1.31m.

The Northampton International Academy Scheme construction programme has been revised and £6.74m is now forecast to be spent in 2017-18.

The following major schemes are being delivered or progressed in 2016-17 to bring significant improvements and growth in schools infrastructure in the County:

Scheme Description	Forecast Expenditure 2016-17 £000's
Northampton International Academy – new 2-19 all through school with 2,220 pupils from primary to post 16.	13,077
East Northants Educational Restructure from three to two tier following the closure of the two middle schools with capital schemes at 11 schools plus interim arrangements.	11,295
Silverstone Primary School	5,054
Pineham Barns Primary School (including land)	4,494
Corby Technical College Extension	3,832

Scheme Description	Forecast Expenditure 2016-17 £000's
Wootton Park Academy	3,086
Moulton Primary Extension	2,334
Henry Chichele Primary Extension	1,913
Hardingstone Academy Extension & Remodelling	1,638
Road Primary Extension	1,549
Others (no individual scheme over £1.5m)	12,403
Total	60,675

Funding

Although the 2017-18 basic need allocations from the Department for Education (DfE) for the Council are positive, the Authority has already committed the majority of its projected 2016-17 DfE capital grant funding towards the Directorate capital programme.

In October the Department for Education confirmed that Northamptonshire's basic need funding allocation for 2018-19 has been increased from £1.1m to £1.5m. The increase is to provide additional pupil place capacity in 2018-19 as a centrally funded free school did not open as planned in 2016.

8.2 Place Directorate Services

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
100,428	20,638	121,066	(17,390)	103,676

Place Summary	£000's	%
Actual Cumulative Expenditure to Period 7	42,347	41%
Forecast Expenditure – Periods 8 to 12	61,329	59%
Forecast Outturn 2016-17	103,676	100%

Capital investment plays a critical part in the Council's role of promoting growth, investment, jobs and bringing prosperity to Northamptonshire and its citizens. In recent years the Council has successfully delivered new or enhanced highway, transportation and environmental projects to the Northamptonshire economy and this has seen significantly improved or new transportation links reducing travel times and improving connectivity throughout and beyond Northamptonshire. This has included major schemes such as the Corby Link Road, Sandy Lane Improvements and the ongoing

development and regeneration of the Northampton Enterprise Zone, the largest Enterprise Zone in England.

The Council has also pioneered innovative approaches and agreements through partnerships to deliver an infrastructure led regeneration of Northamptonshire. The innovative implementation and funding of the Northamptonshire Revolving Infrastructure Fund (NRIF) has enabled the implementation and delivery of key pieces of infrastructure. This has been delivered hand in hand with Government funding through Local Growth Funds and Local Enterprise Partnerships and saw the start of the construction of the Northampton to Daventry Development Link (NDDL) in December 2015.

Management and funding of the capital programme is considered holistically with other funding streams including revenue budgets, external grants and innovative funding. The programmed delivery and management of capital investment is overseen by a unique public/private partnership Capital Programme Delivery Unit. This not only ensures effective management and controls are in place but enables 'ready to go' schemes to be delivered quickly on the ground.

The Directorate's capital programme is now forecast to spend £103.68m in the financial year 2016-17 which represents an overall reduction of £0.57m when compared to previous forecasts.

There are two schemes committed to the Capital Programme this month, Highways Asset Management Strategy £2m, Parking Enforcement Equipment £25k expenditure forecast for 2016-17 out of the total scheme cost of £93k.

In relation to reductions in 2016-17 expenditure this is as a result of Budget Managers reprofiling their forecast expenditure and in particular:

- the A45 Daventry Development Link Road has rephased £1.5m into 2017-18 due to main work now commenced on site leading to more accurate profiling of expenditure
- two schemes awaiting S278 funding rephased £0.75m into 2017-18, and
- Chester Farm delays to starting works leading to a reduction £0.3m.

Total cost for the schemes remains within the previously agreed funding envelopes.

Actual expenditure in the month totalled £7.39m taking the cumulative actual expenditure at the end of period 7 to £42.35m some 41% of the total forecast outturn for 2016-17.

The following significant schemes are being delivered or progressed in 2016-17 to bring significant improvements in infrastructure in the County, allowing for improved road network access and linkages, to help enable and support growth and development:

Scheme Description	Forecast Expenditure 2016-17 £000's
Project Angel – design & construction	27,200
LTP Maintenance Block 2015-17	13,773
A45 Northampton to Daventry Development Link (NDDL)	10,905
Tresham College	5,418
Highway Network	5,002
A43 Northampton – Kettering Phase 2	4,463

Scheme Description	Forecast Expenditure 2016-17 £000's
Highway Asset Management	4,037
A43 Northampton – Kettering Phase 1b	3,623
Northampton Superfast Broadband	3,475
LTP Integrated Transport Block 2015-17	3,042
Fire Schemes	2,870
Chester Farm	2,269
Highway Asset Management Strategy	2,000
Corby Link Road	1,871
Stanton Cross	1,600
Others (no individual scheme over £1.5m)	12,128
Total	103,676

Funding

The Council continues to work on additional capital investment on highway maintenance to provide further significant cash injections within the next two years, continuing the progress made in recent years. This is likely to see a step change in the asset condition reducing further deterioration and seeing significant savings against the continuing maintenance of the asset over the medium term to the benefit and savings associated with revenue funding.

Changes to the Structure of LEPs in the County from 30 September 2016

Following Government approval for the creation of a new, single integrated Local Enterprise Partnership for the South East Midlands and Northamptonshire area, the County Council will cease its role as the Accountable Body for the Northamptonshire Enterprise Partnership (NEP). The responsibilities will transfer to Luton Borough Council who currently provide the Accountable Body role for the South East Midlands Local Enterprise Partnership (SEMLEP). However NCC will remain the Accountable Body for the Local Growth Fund to 31 March 2017.

The exact date and timings for transfer of responsibilities and transfer of ongoing commitments are subject to further detailed discussions which started in September between all interested parties i.e. NCC, NEP, SEMLEP & Luton Borough Council. These discussions are currently ongoing and include arrangements around the novation of current loan agreements where NCC currently acts as the accountable body and therefore signatory to the agreements and the transfer of balances of Local Growth Fund Grant and Growing Places Grant.

Further updates on this work will be provided as part of next month's monitoring report.

8.3 Adults Services

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
608	0	608	1	609

Adults Services Summary	£000's	%
Actual Cumulative Expenditure to Period 7	13	0%
Forecast Expenditure - Periods 8 to12	268	100%
Forecast Outturn 2016-17	281	100%

Expenditure

The Service's forecast capital expenditure for 2016-17 stands at £0.28m, a movement since last month of £0.33m. Future schemes for Housing Based Solutions for Younger Adults with Disabilities are now forecast to commence in 2017-18 rather than in the current year.

Adults Services managers are reviewing service provision and future forecasts will reflect their plans.

Funding

In 2015-16 the Council received an allocation of £1,513,000 Social Care Grant funding

From 2016-17 Social Care Grant funding has been amalgamated with the Disabled Facilities Grant and £3,518,418 funding received by the Council is being passported to Northamptonshire District and Borough Councils to support people to remain independent in their own homes, reducing or delaying the need for care and support, and improving the quality of life for residents. The Council therefore has less capital resources to support this service area.

8.4 Wellbeing and Prevention Services

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
1,173	125	1,298	-42	1,256

PHW Summary	£000's	%
Actual Cumulative Expenditure to Period 7	200	16%
Forecast Expenditure - Periods 8 to 12	1,056	84%
Forecast Outturn 2016-17	1,256	100%

Expenditure

The Service's forecast capital expenditure for 2016-17 stands at £1.26m.

The Service has spent £0.2m of the £1.26m forecast capital expenditure outturn for the financial year 2016-17. The main scheme included in the 2016-17 forecast is the Moulton Library Relocation - £0.49m.

8.5 IT Infrastructure / Development

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
4,142	2,443	6,585	(807)	5,778

IT Summary	£000's	%
Actual Cumulative Expenditure to Period 7	3,775	65%
Forecast Expenditure - Periods 8 to 12	2,003	35%
Forecast Outturn 2016-17	5,778	100%

Expenditure

The IT Infrastructure capital expenditure forecast outturn for 2016-17 stands at £5.78m

The Directorate has spent £3.78m representing 65% of the £5.78m forecast capital expenditure outturn for the financial year.

The following significant schemes are being delivered or progressed in 2016-17:

Scheme Description	Forecast Expenditure 2016-17 £000's
Project Angel & Next Generation Working IT – Phase 1 enabling mobile/agile working.	2,946
Next Generation ERP Financial Accounting System	971
Microsoft ESA and ECI 2014-17	508
Other IT capital schemes under £0.5m	1,353
Total	5,778

8.6 Property Maintenance

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
2,993	100	3,093	483	3,576

Property Summary	£000's	%
Actual Cumulative Expenditure to Period 7	403	11%
Forecast Expenditure - Periods 8 to12	3,173	89%
Forecast Outturn 2016-17	3,576	100%

Expenditure

The Property Maintenance capital programme forecast outturn for 2016-17 stands at £3.58m.

The Directorate has spent £0.40m representing 11% of the £3.58m forecast capital expenditure outturn for the financial year.

The following significant schemes are being delivered or progressed in 2016-17:

Scheme Description	Forecast Expenditure 2016-17 £000's
Kettering William Knibb Centre Refurbishment	1,620
Minor Works Schemes 2015-17	1,466
Other Property capital schemes under £0.5m	490
Total	3,576

8.7 Chief Executive Services

Original Capital Budget 2016-17 £000's	New Schemes / (Completed Schemes) £000's	Revised Capital Budget 2016-17 £000's	Schemes rephased to /from 2017-18 £000's	Forecast 2016-17 Capital Outturn £000's
511	0	511	(147)	364

Chief Executive Services Summary	£000's	%
Actual Cumulative Expenditure to Period 7	85	23%
Forecast Expenditure - Periods 8 to 12	279	77%
Forecast Outturn 2016-17	364	100%

Expenditure

The Chief Executive Services capital programme expenditure forecast outturn stands at £0.36m for 2016-17.

9. Major Projects and Capital Programme Board (CPB) - Recommendations and Updates

- 9.1 Each month the Major Projects and Capital Programme Board meets to discuss and recommend capital projects for inclusion in the Council's Committed Capital Programme.

The CPB met on 16 November and has recommended the promotion of two schemes, the extension of two schemes and the entry of one new scheme totalling investment of £2,923,224, (Table 4), to go forward for Cabinet and Council approval, as required, to enable formal entry into the Council's Committed Capital Programme.

No.	Scheme Status	Capital Scheme Title	Capital Expenditure Requiring Approval £	Funding Source
1	New Scheme	DSG Childrens Centres to Childcare	220,000	Recycled DfE grant
2	Promotion from Pre Qual. Group	Country Parks Equipment	60,000	External Income and Donations
3	Promotion from Pre Qual. Group	Capitalisation of Community Equipment	2,214,209	Dept. for Health Grant
4	Extension of existing scheme	LTP Integrated Transport	276,925	Additional Contributions
5	Extension of existing scheme	Belinda Ferrison House	152,090	Discretionary Funding
Major Projects and Capital Programme Board Recommendation			2,923,224	

Table 4 - Summary of Capital Schemes Recommended by the CPB from 16th November 2016

9.2 Capital Programme Board (CPB) Recommended Schemes

Details of all the above schemes:

1. DSG Childrens Centres to Childcare - £220,000

Schools Forum approved the authority's recommendation to apply to the Secretary of State to capitalise £220k of the early years block 2015-16 underspend to support capital expenditure for the repurposing of Children's Centres to provide early years education and childcare. The Authority is keen to continue the use of vacated provisions and where appropriate create high quality childcare provision. Investment of the capital funding will be focussed on those children's centres in areas of high need and also requiring increased capacity for both the 2 year old free entitlement scheme and the future expansion to the 30 hours for 3 and 4 year old scheme.

2. Country Parks Equipment - £60,000

This scheme is to enable capital purchases and general works in NCC's Country Parks. Immediate equipment needs are two multi loaders for use by woodland and estates workers and rangers on essential grounds works. The funding for the works comes from £40,000 received in compensation for commercial access over Irchester Country Park land and other donations already held for the benefit of Country Parks.

3. Capitalisation of Community Equipment - £2,214,209

The proposal is to capitalise small pieces of specialist equipment which is to be used by Social Care clients. The spectrum of equipment provision can meet therapeutic, mobility, communication, educational, environmental, independence, prevention, reablement and rehabilitation needs. This is part of an annual commitment but for 2016-17 it has been agreed to utilise Capital Grants held from previous years in order to support the revenue budget position

4. LTP Integrated Transport - £276,925

This scheme supports the delivery of Northamptonshire's Local Transport Plan, This includes projects delivering improvements in the following areas: traffic management (NetCom), parking, community liaison, road safety, minor works (road safety), major schemes preparations, forward planning, Safe Routes to School & 20mph zones, walking & cycling schemes, bus stop maintenance and arc schemes development. This extension to the scheme is to match the approved expenditure to include additional contributions received for additional works

5. Belinda Ferrison House - £152,090

This is an NCC owned property above the Fire station in the Mounts conservation area of Northampton. This scheme will provide supported living in 18 of the flats for care leavers aged 18 plus, for up to six months whilst acquiring life skills and managing their accommodation. The other three flats will be used by the third party care supporters. This scheme seeks an uplift of £152k on the previously approved £370k Invest to Save funding to increase the scheme value to £522k.

The original scheme has been revised to include enhanced Health & Safety features for the young care leaver accommodation such as CCTV cameras, fire alarms, entrance security and works to the upper floors balcony areas and safety features.

10. Government Funding Announcements

There are no new funding announcements.

11. Risk and Business Continuity Management

There are internal control processes in place to ensure that the Council does not spend beyond the resources available. Risk will be managed and monitored throughout the organisation during the delivery of the Council's budget plans.

12 List of appendices

No appendices to this document are included. All information to enable a decision is included within the main report.

Author:	Name: Andrea Devereux Team: LGSS Finance – Place, C Exec, LGSS & Capital
Contact details:	Tel: 01604 367348 Email: adevereux@northamptonshire.gov.uk
Background Papers:	CP monitoring returns, Head of Service Reports and Capital Monitoring spreadsheets, DMT Meetings and Government Announcements
Does the report propose a key decision is taken?	YES
If yes, is the decision in the Forward Plan?	NO
Will further decisions be required? If so, please outline the timetable here	NO
Is this report proposing an amendment to the budget and/or policy framework?	NO
Have the financial implications been cleared by the Strategic Finance Manager (SFM)? Have any capital spend implications been cleared by the Capital Investment Board (CIB)	Yes Name of SFM: Rosemary Pallot YES
Has the report been cleared by the relevant Director?	YES Name: Damon Lawrenson
Has the relevant Cabinet Member been consulted?	YES Cabinet Member: Cllr Robin Brown
Has the relevant scrutiny committee been consulted?	NO
Has the report been cleared by Legal Services?	YES Name of solicitor: Laurie Gould
	Solicitor's comments:
Have any communications issues been cleared by Communications and Marketing?	YES Name of officer: Simon Deacon
Have any property issues been cleared by Property and Asset Management	NO
Has an Equalities Impact Assessment been carried out in relation to this report?	NO
Are there any community safety	NO

implications?	
Are there any environmental implications:	NO
Are there any Health & Safety Implications:	NO
Are there any Human Resources Implications:	NO
Are there any human rights implications:	NO
Constituency Interest:	ALL