

**REFERENCE FROM CABINET – 22 JUNE 2016**

**CAPITAL PROGRAMME OUTTURN 2015/2016 AND FIRST CAPITAL REVIEW 2016/2017 (INCLUDING TREASURY MANAGEMENT)**

**Report of the Head of Law and Governance**

**1. Purpose of the Report**

- 1.1 To advise the Committee of the approval by Cabinet of variations to the capital programme with an estimated cost variance of £250,000 or more, which will also be reported to Council for information.

**2. Background and Current Position**

- 2.1 The Cabinet, at its meeting held on 22 June 2016, gave consideration to a report of the Director of Corporate Services. The report sets out:-

- the Capital Programme Outturn for 2015/2016;
- the outcome of the First Capital Review for 2016/2017 taking account of the Capital Programme Outturn;
- changes made to the Capital Programme 2016/2017 since its approval;
- an update on the outturn position for 2015/2016 and progress in implementing the Treasury Management Borrowing and Investment Strategy for 2016/2017.

- 2.2 In relation to the Capital Programme outturn for 2015/2016 Cabinet was asked to:

- approve the inclusion of additional schemes or variations to existing schemes for 2015/2016 detailed at Appendix A (of the report), as a variation to the Capital Programme which will be reported to Scrutiny and Council for information where necessary, and
- note the overall Capital outturn position for 2015/2016.

In relation to the Capital Programme first review for 2016/2017 Cabinet was asked to:

- approve the inclusion of additional schemes or variations to existing schemes for 2016/2017 detailed at Appendix B (of the report), as a variation to the Capital Programme which would be reported to Scrutiny and Council for information where necessary, and
- approve a contract variation in excess of £500,000 for the New Wear Crossing project.

In relation to the Treasury Management Strategy, Cabinet was asked to note the positive progress in implementing the 2016/2017 Treasury Management Strategy and Prudential Indicators.

- 2.3 Copies of the 22 June 2016, Cabinet Agenda have been made available to all Members of the Council.

- 2.4 In accordance with the Council's Financial Procedure Rules, Cabinet may authorise variations to the Capital Programme provided such variations are within available resources and consistent with Council policy.

The attached Appendix A sets out the relevant extracts from the Cabinet Report which outlines the variations to the capital programme with an estimated cost variance of £250,000 or more in 2016/2017.

#### **4. Recommendation**

- 4.1 The Scrutiny Committee is invited to note the proposed variation to the Capital Programme for 2016/2017 with an estimated cost variance of £250,000 or more.

#### **5. Background Papers**

- 5.1 Cabinet Agenda, 22 June 2016.
- 5.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

#### **[Cabinet Agenda, 22 June 2016](#)**

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**Capital Programme Outturn 2015/2016 and First Capital Review 2016/2017  
(including Treasury Management)**

**Cabinet Meeting 22 June 2016**

**Extract of Report**

**Variations to the Capital Programmes in excess of £250,000 - Fully Funded**

<b>Variations to the 2016/2017 Capital Programme in excess of £250,000 - Fully Funded</b>	<b>£000</b>
<b>Health, Housing and Adults Services</b>	
Disabled Facilities Grants - following confirmation of the 2016/2017 Better Care Fund grant allocation of £2.857m in February 2016, provided for Disabled Facilities Capital Grants, as well as £0.300m contribution from Health partners, £3.157m is therefore to be provided for provision of Disabled Facilities grants in 2016/2017.	3,157
<b>Public Health, Wellness &amp; Culture</b>	
<p>Hylton Castle Redevelopment – following approval by Cabinet 13 January 2016 (£1.402m in 2016/2017 and £1.402m in 2017/2018, funded by £1.987m HLF grant and £0.817m prudential borrowing previously held in Capital Contingencies).</p> <p>The redevelopment of the castle will establish a community based heritage led visitor facility for the community, city and region. It will also ensure the future conservation of the castle by establishing a sustainable use for the building that will preserve and enhance its heritage significance. The capital works include: essential repairs and conservation to external historic fabric, external landscaping, major structural works to the foundations and structural frame such as flooring, roof, windows, internal walls &amp; doors, stairs/lift, floor &amp; ceiling finishes, mechanical and electrical services as well as fixtures and fittings.</p>	1,402

