



Audit and Risk Committee

Agenda

**Monday, 8th June, 2015
at 6.00 pm**

in the

**Committee Suite
King's Court
Chapel Street
King's Lynn**



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**AUDIT AND RISK
COMMITTEE AGENDA**

DATE: **AUDIT AND RISK COMMITTEE - MONDAY, 8TH
JUNE, 2015**

VENUE: **COMMITTEE SUITE, KING'S COURT, CHAPEL
STREET, KING'S LYNN**

TIME: **6.00 pm**

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. MINUTES

To approve the minutes of the meeting held on 24 March 2015 (previously circulated).

3. DECLARATIONS OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the Member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

4. URGENT BUSINESS UNDER STANDING ORDER 7

To consider any business which, by reason of special circumstances, the Chairman proposes to accept as urgent under Section 100(b)(4)(b) of the Local Government Act 1972.

5. MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

Members wishing to speak pursuant to Standing Order 34 should inform the Chairman of their intention to do so and on what items they wish to be heard before the meeting commences. Any Member attending the meeting under Standing Order 34 will only be permitted to speak on those items which have been previously notified by the Chairman.

6. CHAIRMAN'S CORRESPONDENCE (IF ANY)

7. CABINET REPORT: REVENUE OUTTURN 2014/2015 (Pages 1 - 16)

The Committee are invited to consider the report and to make any appropriate recommendations to Cabinet.

8. CABINET REPORT: CAPITAL PROGRAMME AND RESOURCES 2014/2018 (Pages 17 - 48)

The Committee are invited to consider the report and to make any appropriate recommendations to Cabinet.

9. COMMITTEE'S WORK PROGRAMME 2015/2016 (Pages 49 - 50)

To consider the Work Programme.

10. DATE OF NEXT MEETING

To note that the next ordinary meeting of the Resources and Performance Panel – Audit and Risk Committee will take place on **Tuesday 23 June 2015**.

To: Members of the Audit and Risk Committee

Councillors Anota, Blunt, Collop, Devereux, Gourlay, Hipperson, Hodson, Humphrey, Graham, Morrison, Tyler and Wareham

For Further information, please contact:

Wendy Vincent
Borough Council of King's Lynn & West Norfolk
King's Court, Chapel Street
King's Lynn PE30 1EX

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards	Mandatory/	(a) Be entirely within Cabinet's powers to decide	YES	
None	Operational	(b) Need to be recommendations to Council	NO	
		(c) Be partly for recommendations to Council and partly within Cabinet's powers –	NO	
Lead Member: Cllr N Daubney E-mail:		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Toby Cowper E-mail: toby.cowper@west-norfolk.gov.uk Direct Dial: 01553 616523		Other Officers consulted: Management Team. Service Managers.		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications (incl S.17) YES	Equal Opportunities Implications NO	Risk Management Implications NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)				

Cabinet Date: 10 June 2015

REVENUE OUTTURN 2014/2015

Summary

The report sets out in summary the revenue outturn of 2014/2015 for the General Fund (council tax accounts). The report shows details of the major differences between actual costs/income and the revised estimates for 2014/2015 reported in February 2015 monitoring.

The accounts show actual Borough spend of £ 18,781,895 which is, after the transfer to reserves, £80,445 less than the February Revised Estimate for 2014/2015. This additional saving will be held within the General Fund balance that is carried forward to 2015/2016.

The Councils continuing strategy is to identify budget savings in year, as part of the monitoring process and at year end. These saving are then transferred to the General Fund Balance for use in future years.

Recommendation

It is recommended that Cabinet approves:

- 1. The revenue outturn and proposed transfers to reserves for 2014/2015.**

Reason for Decision

To approve revenue outturn for 2014/2015 of the Council prior to the external audit of accounts which commences in July 2015.

1 Introduction

- 1.1 This report sets out the revenue outturn of the Council's budget for 2014/2015, the details of which will be used to form the Statement of Accounts later in the year.
- 1.2 The Statement of Accounts for 2014/2015 will be taken to Cabinet on the 9 September 2015, for approval by Council on the 24 September 2015. (It is a statutory requirement that the approval and publishing of the Statement of Accounts has to be completed by the 30th September 2015).

2 Final Outturn 2014/2015

- 2.1 The revised estimate (in the tables below) has been adjusted from the one reported in the February 2015 monitoring report to allow for the central service recharges. These adjustments represent the recharge of support services and hence are merely movements between service areas and have no "bottom line" effect.

	As reported in February monitoring	Adjusted Estimate for Outturn	Movement
	£	£	£
Corporate	5,013,010	6,014,210	1,001,200
Democracy	1,239,970	1,194,340	(45,630)
Services Areas:			
Central and Community Services	4,115,870	2,883,980	(1,231,890)
Chief Executive	1,975,880	1,992,190	16,310
Commercial Services	5,839,800	6,432,920	593,120
Environment and Planning	1,986,030	2,083,150	97,120
Resources	919,050	488,820	(430,230)
	21,089,610	21,089,610	0

This recharge of support services is required by accounting guidelines to more properly reflect the full cost of a service. The 'net' impact on the accounts is nil.

2.2 The following table uses the revised estimate adjusted in 2.1 to compare to the actual outturn for 2014/2015.

	Revised Estimate 2014/15	Actual 2014/15	Difference Revised to Actual	Note
	£	£	£	
Corporate	6,014,210	6,193,683	179,473	3.1
Democracy	1,194,340	1,153,220	(41,120)	3.2
Services Areas:				
Central and Community Services	2,883,980	1,534,266	(1,349,714)	3.3
Chief Executive	1,992,190	2,025,290	33,100	3.4
Commercial Services	6,432,920	6,773,187	340,267	3.5
Environment and Planning	2,083,150	2,116,401	33,251	3.6
Resources	488,820	477,801	(11,019)	3.7
Service Area Totals	21,089,610	20,273,848	(815,762)	
Financing Adjustment	(3,750,180)	(3,033,227)	716,953	3.8
Internal Drainage Boards	2,608,740	2,608,750	10	
Special Expenses	128,110	146,460	18,350	3.9
Council Tax Support to Parishes	123,460	123,463	3	
Borough Spend	20,199,740	20,119,295	(80,445)	
Contribution to Business Rates	380,000	380,000	0	
Retention Reserve				
Contribution (from) Balances	(1,717,400)	(1,717,400)	0	
Borough spend for 2014/2015	18,862,340	18,781,895	(80,445)	
Additional contribution to Balances	0	80,445	80,445	
Final Revenue Outturn 2014/2015	18,862,340	18,862,340	0	

The table shows a net Borough spend for 2014/2015 of £18,781,895 which is £80,445, less than the revised budget set at £18,862,340.

- 2.3 Service managers over the year ending 31 March 2015 have continued to look for opportunities to produce budget savings that support the Council's drive for reduction in costs. These savings have been reported as part of the monthly monitoring process. In setting the estimates for 2014/2015, in February 2014, it was anticipated that £335,480 would be added to the general fund balance. Out-turn figures show that there will in fact be a withdrawal of £1,667,197 from balances (due to the pension stabilisation payment made in April 2014*). Excluding the pension adjustment in year savings of £534,020 have been reported as part of the monitoring process Appendix 1. A number of the budget savings were 'one-offs' and will not necessarily be repeated in future years.

** Members are reminded that in April 2014 the Council made a payment of £3.1m to the Pension Fund. The original target in 2014/2015 assumed a payment of £0.9m which would be followed by two further annual instalments of £1.2m in 2015/2016 and 2016/2017. The advance payment made in April 2014 saved the Council £176,000 in interest payment to the fund.*

- 2.4 The 2014/2015 outturn is within budget and allows the Council to set aside funds for a variety of future demands in addition to carrying forward a General Fund balance that is higher than originally estimated.

3. The major differences in the revised estimates and the actual costs are as follows:

The following pages show the major differences in the revised estimates and the actual costs. Under each budget heading the format shows "Movements to be explained", which are outlined as major variances in the narrative that follows. The Summary heading may also show "Legal Commissioning", this is where the services have used the corporate legal commissioning budget to cover the costs of legal advice. This represents a transfer of charges between the services and the legal team which is the corporate budget holder.

The Budget heading summaries also show items for "Additional Transfers to Reserves" and "Grants Transferred to Reserves". These sums are listed separately at Appendix 2 with the relevant comments.

Two other categories appear in certain Budget heading summaries, "REFCUS" and "Unsupported Borrowing". Both of these items deal with an accounting requirement that shows what the Council, for budget purposes, treats as Capital items as properly being recorded as revenue spending. There is no impact on the accounts of the Council or Council Tax as the charges are reversed out as a part of the Financing Adjustment as shown in paragraph 3.8. Additionally see Appendix 3 for a further explanation.

3.1 CORPORATE SERVICES – Deficit £ 179,473

	£
Movements to be explained	(8,888)
Legal Commissioning	3,361
Additional transfers to reserves (<i>Appendix 2</i>)	185,000
Deficit	179,473

The major variances are as follows:

- **Adjustments to Bad Debt provisions**
£33,804 net charge to revenue due to an increase in the General Fund bad debt provision.
- **Bank Charges**
(£48,882) Surplus due to savings generated from the new banking contract, the Council now banks with Barclays Bank PLC.

Summary of movement to be explained

	£
Bad Debt Provision	33,804
Bank Charges	(48,882)
Other	6,190
TOTAL	(8,888)

3.2 DEMOCRACY – Surplus (£41,120)

	£
Movement to be explained	(61,530)
Grants transferred to reserves (<i>Appendix 2</i>)	20,410
Surplus	(41,120)

The major variances are as follows:

- **Register of Electors**
(£20,410) Surplus mainly due to additional Government Grant received towards the cost of individual electoral registration. Grant carried forward for use in 2015/2016.
- **Member Services**
(£18,730) The overall underspend is mainly due to lower than estimated expenditure on members allowances and travel.
- **Support of the Democratic Process**
(£18,177) Surplus due to a variety of small budget underspends including a saving on telephones and broadband charges of (£9,410)

Summary of movement to be explained

	£
Register of Electors	(20,410)
Members Services	(18,730)
Support of the Democratic Process	(18,177)
Other	(4,213)
TOTAL	(61,530)

3.3 CENTRAL & COMMUNITY - Surplus (£1,349,714)

	£
Movements to be explained	(179,796)
REFCUS (<i>Appendix 3</i>)	(1,169,918)
Surplus	(1,349,714)

The major variances are as follows:

- **Customer Information Centre**
(£9,722) Surplus due to minor budget underspend within the service.
- **Personnel Services**
(£92,722) Surplus mainly due to a (£81,000) underspend against the corporate training holding account.
- **Community Safety and Nuisance**
£16,843 overspend due to one-off spend on upgrading CCTV equipment.
- **Printing and Graphics**
(£25,409) due to additional external income achieved in year.
- **Policy and Partnerships**
(£69,056) underspend due to salary savings and additional grant money received in year.

Summary of movement to be explained

	£
Customer Information Centre	(9,722)
Personnel Services	(92,722)
Community Safety and Nuisance	16,843
Printing and Graphics	(25,409)
Policy and Partnerships	(69,056)
Other	270
TOTAL	(179,796)

3.4 CHIEF EXECUTIVE - Deficit £33,100

	£
Movements to be explained	(188,056)
Legal Commissioning	(83,857)
REFCUS (<i>Appendix 3</i>)	89,638
Grants transferred to reserves (<i>Appendix 2</i>)	128,566
Additional transfers to reserves (<i>Appendix 2</i>)	86,809
Deficit	33,100

The major variances are as follows:

- **Economic Regeneration**
(£91,340) Surplus mainly due to additional grant income received in year of £70,000. Grant transferred to reserves for use in 2015/2016.
- **Home Choice**
(£14,702) Surplus mainly due to in year savings on advertising costs.
- **Housing Options**
(£41,994) Surplus mainly due to additional income achieved in year, saving on the homeless prevention fund and salary savings.
- **Regeneration Projects**
(£29,407) Regeneration works funded by grant re-phased to 2015/2016. Grant transferred to reserves for use in 2015/2016.

Summary of movement to be explained

	£
Economic Regeneration	(91,340)
Home Choice	(14,702)
Housing Options	(41,994)
Regeneration Projects	(29,407)
Other	(10,613)
TOTAL	(188,056)

3.5 COMMERCIAL SERVICES - Deficit £340,267

	£
Movements to be explained	(35,0370)
REFCUS (<i>Appendix 3</i>)	348,434
Legal Commissioning	1,900
Unsupported Borrowing	(107,630)
Additional Transfers to Reserves (<i>Appendix 2</i>)	132,600
Deficit	340,267

The major variances are as follows:

- **Car Parks**
(£62,051) Additional income on car parking operations for the year 2014/2015
- **CCTV**
£21,157 Deficit on salaries due to long term staff illness in 2014/2015
- **Crematorium & Cemeteries**
(£33,278) Surplus is mainly due to in year maintenance savings on cremators
- **Cleaning and Street Sweeping**
(£32,857) Surplus mainly due to savings on external contractors and a vacant post.
- **Refuse & Recycling**
£114,050 Deficit due to lower than anticipated income from the new materials recycling agreement.
- **Alive Leisure Outturn 2014/2015**
(£44,100) This is the Councils share of the 'Alive Leisure Trust' outturn for 2014/2015. This money has been transferred to an earmarked reserve and will be used to develop leisure activities within the borough during 2015/2016.

Summary of movement to be explained

	£
Car Parks	(62,051)
CCTV	21,157
Crematorium & Cemeteries	(33,278)
Cleaning and Street Sweeping	(32,857)
Refuse & Recycling	114,050
Alive Leisure Outturn 2014/2015	(44,100)
Other	2,042
TOTAL	(35,037)

3.6 ENVIRONMENT AND PLANNING – deficit £33,251

	£
Movements to be explained	4,129
Legal Commissioning	20,752
Additional Transfers to Reserves (<i>Appendix 2</i>)	8,370
Deficit	33,251

The major variances are as follows:

- **Food Hygiene and Public Health**
(£13,364) Surplus mainly due budget saving on professional fees
- **Licenses**
£24,680 Deficit due to changes in legislation that have resulted in fee reductions.

Summary of movement to be explained

	£
Food Hygiene and Public Health	(13,364)
Licenses	24,680
Other	(7,187)
TOTAL	4,129

3.7 RESOURCES– Surplus (£11,019)

	£
Movements to be explained	(212,228)
Legal Commissioning	22,565
REFCUS (<i>Appendix 3</i>)	9,433
Unsupported Borrowing (<i>Appendix 3</i>)	320
Grants transferred to reserves (<i>Appendix 2</i>)	55,601
Additional Transfers to Reserves (<i>Appendix 2</i>)	113,290
Surplus	(11,019)

The major variances are as follows:

- **Industrial Units**
£46,854 Deficit mainly due to £20,000 additional repairs expenditure incurred and £30,000 underachievement of rental income (North Lynn industrial estate).
- **Office Accommodation**
£63,994 Deficit mainly due to repairs and reorganisation of office space within King's Court.
- **Revenues and Benefits**
(£322,279) Surplus due to additional court cost recovered, additional grants money received, additional Housing Benefits overpayments recovered and a positive variance against the benefits claim.

Summary of movement to be explained

	£
Industrial Units	46,854
Office Accommodation	63,994
Revenues and Benefits	(322,279)
Other	(797)
TOTAL	(212,228)

3.8 Financing Adjustment – Deficit £716,953

The major element of the Deficit can be explained as follows

	£
Net deficit in interest payments/receivable	(9,163)
REFCUS - Revenue expenditure funded from capital under statute (<i>Appendix 3</i>)	749,996
Unsupported Borrowing	(23,880)
TOTAL	716,953

3.9 Special Expenses – Deficit £18,350

£18,350 Deficit due to in year changes in the calculation and distribution of special expenses to services, this was not been reported as part of the monitoring process during the year.

4 Business Rates Retention Scheme Outturn for 2014/2015

The financial year 2014/2015 is the second year since the introduction of the Business Rates Retention Funding arrangements. The outturn for Business Rates Retention, along with the government return NNDR3 (National Non Domestic Rates Return 3), will be reported to Cabinet at the same time as the statement of accounts on the 9 September 2015.

Although there are significant sums involved with the calculation of the 'Business Rates Retention' scheme outturn for 2014/2015 the impact on the financial year will be nil. The funds transferred to the Earmarked Reserve will be required in 2016/2017.

5. General Fund Working Balance

The underspend on the budget for 2014/2015 results in an increase to the General Fund working balance of £28,804 which provides for a revised balance of the General Fund as at 31 March 2015 of £3,684,475.

6. Policy Implications

None

7. Statutory Considerations

The external audit of the accounts will be starting in July 2015 and the final version of the Statement of the Accounts for 2014/2015 must have been approved and publishing by the 30th September 2015. This year the external audit of the accounts will be carried out by Ernst and Young LLP.

8. Consultations

Leader of Council
Management Team
Service Managers

9. Access to Information

Council Agenda/Minutes
Council Financial Plan 2014 – 2018
Monthly Monitoring Reports

Detail	Monitoring Report	£
Norfolk Pension Service*	April	2,174,000
Utility Costs - overall reduction	May and September	(54,790)
Car Parking Operations - enforcement and contracted services	June and September	(100,000)
Computer Licence Fees - on-going Microsoft licence fees transferred from capital	June	55,000
Industrial rents - reduced income	June	30,000
Internal Drainage Board Levies	June	(8,450)
Telephone costs - reduced costs from new provider	September	(12,500)
Turnover savings - amount achieved in excess of £90,000 target	September	(76,980)
Alive Leisure - working balance agreed as part of new leisure arrangements	September	200,000
Implementation of new leisure arrangements - 2 months later than originally anticipated	September	47,600
Refuse and recycling - staff savings and reduced recycling credits	September	25,860
Community Safety and Nuisance - out of hours enforcement	September	5,000
Performance Review and Efficiency - supplies and services saving	September	(6,330)
Personnel Services - supplies and services saving	September	(8,200)
Printing and Graphics - staffing and equipment contract savings	September	(49,390)
Business Rates - Empty Industrial Units	September	(7,500)
Legal Services review	September	(58,500)
Hunstanton Promenade - annual survey costs	September	3,000
King's Court - additional rental income	September	(12,000)
Financing Adjustment - Interest Payable/Receivable	September	(101,500)
CCTV - Operational savings from contracted services	September	(40,830)
Contribution to capital reserves for improvement works to public conveniences	September	40,830
Hunstanton Promenade	October	20,000
Turnover Savings	October	(76,380)
Public Convenience NNDR refund	January	(33,360)
Minimum Revenue Provision	February	(125,000)
Turnover Savings	February	(281,750)
Turnover Savings – proposed pay award	February	170,000
Corporate Costs and Provisions – Salary on costs	February	(220,000)

Corporate Costs and Provisions – Second homes money	February	(190,000)
Corporate Costs and Provisions – Flood gates	February	40,000
Corporate Costs and Provisions – Pathways	February	20,000
Care and Repair - reduction in income	February	68,800
Public and Open Spaces - Willow Park	February	28,000
Refuse and Recycling - reduction in income	February	218,000
CIC Interactive Voice Response system	February	(24,000)
Community Safety and Neighbourhood Nuisance	February	(17,400)
Home Energy Conservation Act (HECA)	February	(5,250)
Additional Car Park Income	February	(30,000)
Public Cleansing	February	(15,000)
Local Land Charges refunds	February	49,000
Excluding the April pensions adjustment – Total Reduction in Borough Spend		(534,020)

* Norfolk Pension Service

During April 2014 the Council paid its pension deficit catch-up contributions to the Norfolk Pensions service for years 2014/2015, 2015/2016 and 2016/2017. By paying the Norfolk Pensions service 3 years' worth of contributions (£3,136,000) upfront the council saved approximately £176,000 over the period of the Financial Plan 2014-2017.

Proposed Transfers to Reserves as at 31 March 2015

Appendix 2

As part of closing the accounts the opportunity has been taken to set up additional transfers to reserves:

Portfolio	Service	Amount to reserve £	Reserve Description	Reason to support proposed transfer
Grants received in year and transferred to Earmarked reserves	Individual Electoral Reg	£20,410	Election Reserve	Additional spend still to be incurred to implement Individual Electoral Registration
	Regeneration Projects	£57,690	Growth Point	Grant monies to be used in 2015/2016
	Economic Development	£70,000	Kings Lynn - The Future	Balance of grant monies for future years
	Housing Standards	£876	Care & Repair, WN Insulation	Balance of grant monies/income for future years
	Revenues and Benefits	£55,601	Reform Funding	Ongoing
TOTAL GRANTS		£204,577		
Corporate	Corporate	£40,000	Office Repair	Contribution to cover the cost of office moves within King's Court
	Corporate	£45,000	Office Repair	Replacement / Upgrade of the microphone system
	Corporate contribution to 'invest to save'	£100,000	Corporate Project Reserve	Contribution to the corporate project reserve to fund Lean and Channel shift initiatives
	Sub Total	£185,000		
Chief Executive	Economic Development	£19,000	Kings Lynn - The Future	Funding required for Hanse Event and Business Convention
	Tourism	£9,000	Cultural & Publicity	Contribution for new mobile phone application
	Housing	£58,809	Housing Options	Required to fund housing enforcement compliance and disturbance payments
	Sub Total	£86,809		

Portfolio	Service	Amount to reserve £	Reserve Description	Reason to support proposed transfer
Commercial Services	Mintlyn Crematorium	£10,000	Mintlyn Repairs & Development	Additional flooring works
	Public Conveniences	£5,000	Public conveniences	Towards change operating system at Wales Court, Downham Market
	Parks and Grounds	£42,500	Open Spaces	Variety of small ongoing projects
	Custom House & TIC	£31,000	Custom House & TIC	Additional capital repairs and maintenance required to Custom House
	Alive Leisure Outturn 14/15	£44,100	Alive Leisure Outturn Reserve	This is the Councils share of the 'Alive Leisure Trust' outturn for 2014/2015. This money will be used to develop leisure activities within the borough during 2015/2016.
	Sub Total	£132,600		
Environment and Planning	Home Defense	£3,870	Coastal Emergencies	Warden payments awaiting response from HMRC
	Radio Phones	£4,500	Coastal Emergencies	New equipment to be ordered
	Sub Total	£8,370		
Resources	Revenues and Benefits	£58,800	Revenue Contributions	Funding for IEG4 Benefits system
	General Properties	£53,000	General Properties Repair Reserve	Contribution to Asbestos survey of Council Buildings and associated works for the removal of asbestos
	Industrial Estate	£1,490	Industrial Services	Admin fee to fund future spend
	Sub Total	£113,290		
TOTAL TRANSFERS TO EARMARKED RESERVES		£526,096		

- **Unsupported Borrowing**

A form of capital finance funded by revenue either by increased income or a reduction in costs. There is not Government grant to support this form of funding.

- **Revenue Expenditure Funded from Capital Under Statute (REFCUS)**

Capital expenditure that does not result in a new or enhanced asset in the Authority's accounts. An example is Disabled Facilities Grants made to individuals. These are charged to the Income and Expenditure Account and reversed out as part of the Financing Adjustment.

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards None	Mandatory	(a) Be entirely within Cabinet's powers to decide	YES	
		(b) Need to be recommendations to Council	NO	
		(c) Be partly for recommendations to Council and partly within Cabinet's powers	NO	
Lead Member: Councillor Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Lorraine Gore E-mail: lorraine.gore@west-norfolk.gov.uk Direct Dial: 01553 616432		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications (incl S.17) NO	Equal Opportunities Implications NO	Risk Management Implications YES

Date of meeting: 10 June 2015

Capital Programme and Resources 2014-2018

Summary

The report provides details of the outturn of the 2014/2015 capital programme and outlines amendments and rephrasing to the spending on schemes, revising the programme for 2015/2018. The capital programme outturn for 2014/2015 totalled £11,040,092 against an approved budget of £13,715,050. It has been necessary to rephrase a total of £3,233,350 of scheme costs to future years. Capital receipts generated in the year totalled £667,000 of which £663,376 were useable. The capital resources available to fund expenditure in 2014/2015 are detailed in section 3 of the report.

RECOMMENDATION

- 1) that Cabinet note the outturn of the capital programme for 2014/2015 of £11,040,092.
- 2) that the financing arrangements for the 2014/2015 capital programme be approved.
- 3) that Cabinet approve the revised 2015/2018 capital programme as detailed in the report.

Reason for Decision

To report the outturn 2014/2015 for the Capital Programme and update members on capital spending and resources for 2015-2018.

1 Introduction

- 1.1 This report presents the outturn of the 2014/2015 capital programme and provides details of amendments and rephasing resulting from under and overspends and their impact on the 2015/2018 programme. The report also outlines the financing of the 2014/2015 programme.

2 Capital Programme 2014/2015

- 2.1 The full capital programme for 2014/2015 is shown at Appendix 1 and provides details of the outturn for individual schemes, together with amendments and rephasing to/from future years.
- 2.2 A full updated Capital Programme 2014/2015 of £13,715,050 was reported at the Cabinet meeting on 3 February 2015 and approved by Council on 26 February 2015.
- 2.3 The final figures for the outturn on the capital programme show that it will be necessary to carry forward a further £3,233,350 as schemes carry over to future years. In a number of cases there were over or under spends which net to a £530,952 overspend across the overall capital programme.

The main schemes where over/(underspends) are reported are detailed in the table below. The small net overspend will be funded from overall capital resources.

	£
Saturday Market Place refurbishment – final scheme costs	43,024
Tuesday Market Place refurbishment - final invoice less than provided for at previous year end	(5,247)
Queen Elizabeth Hospital Roundabout Road Widening - final invoice less than provided for at previous year end	(10,567)
Princess Theatre – third party contribution and lower scheme cost	(14,689)
ICT – Underspend across a number of ICT projects	(12,884)
Miscellaneous movements	1,880
	1,517

In addition there are a number of schemes which come with resources ie reserves where the capital programme was not updated and amended to fully reflect the actual costs. The main schemes are detailed in the table below. The apparent overspend is met from earmarked reserves/grants unapplied/unsupported borrowing and there is no impact on the bottom line funding of the capital programme.

Scheme	Funding	£
S106 CCTV Schemes	Fully financed from S106 contributions held in reserve	7,019
Affordable housing scheme	Fully financed from developer contributions held in reserves	395,473
Car Parks – Vehicle and Exhibition Trailer for event management	Funded from earmarked reserves	35,637
Oasis Leisure Centre – Air Handling System	Funded from earmarked reserves and Salix energy efficiency scheme	13,095
Refuse and Recycling – replacement bins	Funded from unsupported borrowing	12,392
St James Swimming Pool – Pool Covers	Funded from Salix energy efficiency scheme	7,019
ICT – IEG4 Benefits system	Financed from earmarked reserves	58,800
		529,435

- 2.4 The table below shows the summary of the programme and actual spend to 31 March 2015. The detailed outturn for the Capital Programme 2014/2015 is presented at Appendix 1.

Table 1

	2014/2015 Budget £	2014/2015 Outturn £	Rephase To 2015/2016 £	2014/2015 Variance and Amend- ments £
Major Projects	11,313,650	8,834,308	(2,549,090)	72,308
Central and Community Services	960,900	763,982	(196,800)	(118)
Chief Executive	30,700	400,569	(25,600)	395,469
Commercial Services	880,300	747,396	(179,460)	46,556
Environment and Planning	0	(734)	0	(734)
Resources	529,500	294,570	(282,400)	47,470
Capital Programme Outturn	13,715,050	11,040,092	(3,233,350)	560,952

- 2.5 The main areas for the proposed rephasing and amendments are detailed below. The detailed outturn is presented at Appendix 1.

Major Projects

Town Hall ‘Stories of Lynn’

The works have commenced with the project planned to complete in early 2016. Budget provision and heritage lottery grant of £194,500 to be carried forward to meet the cost of the works.

King’s Lynn Innovation Centre – Ground Works

The ground works commenced in May 2015. The budget provision of £150,000 will be carried forward to 2015/2016 to fund these works.

Mintlyn Crematorium – Replacement Cremators and Building Works

The replacement cremators have been installed and the building works are planned to complete at the end of June 2015. The balance of the budget provision of £427,900 will be carried forward to 2015/2016.

Major Housing Development

An application for planning permission for phase 1 (Marsh Lane) is due to be submitted in June 2015. Building works on site are planned to commence in the autumn with some preliminary archaeological works will be undertaken prior to this. The balance of the budget provision of £164,800 will be rephased to 2015/2016.

Joint Venture NORA Housing

Works on phase 1 of this project is due to complete at the end of May 2015. 37 houses were either sold or reserved as at 31 March 2015. Ground works on phase 2 of the project have now commenced and the first houses are expected to be ready in the autumn. The balance of the budget of £1,623,300 will be carried forward to 2015/2016 to meet the on-going costs of this project. The capital programme does not include Phase 3 of the project; this will be subject to a further report to Cabinet.

Central and Community Services

Community Projects

The community projects capital budget 2014/2015 has been allocated to part fund the IT solution for the LILY (living independently in later years) project. The budget of £50,000 is to be carried forward to 2015/2016.

Private Sector Renewal Assistance

These budgets are committed for grant applications that are either approved but the works are not yet complete, applications are being assessed or cases on the waiting list. Budget provision of £146,800 is to be carried forward to 2015/2016.

Commercial Services

CCTV – Control Room and Wireless Transmission

The CCTV schemes are ongoing and the balance of the budget provision of £38,400 will be carried forward to 2015/2016.

Play Areas – Refurbishment

The budget provision of £33,200 will be carried forward to 2015/2016 to meet the costs of replacement play surfacing works to be completed during 2015/2016.

Vehicles - Grounds Maintenance and Neighbourhood Teams

The balance of the budget provision of £116,760 will be carried forward to 2015/2016 to meet the cost of the on-going vehicle replacement programme.

Resources

Sewage Treatment Works – Decommission Redundant Sites

The balance of the budget provision of £30,500 will be carried forward to 2015/2016 to complete the on-going programme of works.

ICT Development Programme

A number of ICT projects have not progressed during 2014/2015 as originally planned. It is proposed to rephase budget provision of £94,900 to 2015/2016, mainly for the continued work on the disaster recovery site and the network resilience.

North Lynn Industrial Estate Re-Roofing

The contract for the works has been awarded and will complete in 2015/2016. The balance of the budget provision of £148,000 will be rephased to 2015/2016.

- 2.6 Total capital receipts generated in 2014/2015 from preserved right to buy sales of former council houses, land sales, sale of vehicles, repayment of grants and mortgage principal repayments were £667,000. Mortgage principal payments and repayments of discount on former council house sales are subject to pooling and 75% is repaid to the Government (£3,624 in 2014/2015). The useable element of the capital receipts was £663,376. The table below shows the summary of useable capital receipts generated in 2014/2015.

Table 2

	2014/2015	2014/2015
	Budget	Outturn
	£'000	£'000
Council Houses Preserved Right to Buy	148	327
General Fund – Land	698	294
Repayment of Grants	0	13
Mortgage Principal Repayments	2	1
Vehicles and Equipment	0	28
Total	848	663

2.7 As part of the housing stock transfer agreement the Council receives a share of the VAT recovered by Freebridge Community Housing on its development programme works. The income received under the VAT sharing agreement is classified as capital receipts, and £ 512,805 was received during 2014/2015.

2.8 There were 8 houses on the Nar Valley Park (NORA Housing Development) which had sold at 31 March 2015. The total amount received in respect of these sales was £1,264,750. In addition refundable reservation fees had been received for 29 plots and this income will be carried forward to 2015/2016.

3 Financing of the Capital Programme 2014/2015

3.1 The following table details the sources of finance used to fund capital spending during the year. The strategy adopted in financing is designed to make full use of all specific grants and thereby protect future allocations. Funding is taken from capital and revenue reserves for those specific schemes identified with resources. The strategy is then to make full use of useable capital receipts and the balance of funding to be taken from capital and revenue reserves.

Table 3

	£
Total Capital Programme Outturn to be Funded 2014/2015	11,493,332
Less Third Party Contributions	(453,240)
Capital Programme Expenditure to be Funded	11,040,092
Sources of Finance:	
Specific Capital Grant	603,849
Unsupported Borrowing	2,084,833
Temporary Borrowing	3,248,600
Capital Reserves	1,321,537
Grant from Reserves	256,671
Capital Receipts in year	1,220,783
Capital Creditors	811,745
Capital Debtors	1,488,814
Capital Advance Receipts	3,260
Total	11,040,092

- Specific capital grants are those for Disabled Facilities Grants (DFGs) – paid directly from Government as a contribution to the costs of the DFGs.
- Unsupported Borrowing is that level of loans taken on by the Council and paid from within the budgets of services. During 2014/2015 unsupported borrowing was used to purchase vehicles and equipment where previously lease payments were made. In effect the lease payments now pay the debt charge. No help is available from Government to pay the costs – therefore they are classed as unsupported.
- Capital Reserves have been previously set aside for particular schemes, in some cases regular annual contributions are made to the reserves (e.g. sports and arts facilities, offices). The Salix Energy Efficiency funds are held in reserves to finance projects that meet energy efficiency criteria and generate annual savings in utility costs which are reinvested in new schemes.
- Capital grants and contributions are amounts held in reserves for affordable housing schemes and S106 funds.
- Capital Receipts come from the sale of assets and the preserved rights from the sale of former council houses. Following the housing stock transfer the Council receives a share of the VAT recovered by Freebridge Community Housing from the housing improvement works which is classified as a capital receipt.

- 3.2 The capital debtors and creditors represent payments that will be made or received during 2015/2016. The net sum is actually funded from capital reserves when payments are made/income received in 2015/2016.

4 Minimum Revenue Provision

- 4.1 A requirement of capital controls is that details of the minimum revenue provision (MRP) calculation are reported to Cabinet. The MRP is the minimum amount that must be charged to the Council's revenue accounts each year as a provision to repay debt. Changes to the basis of calculating MRP were made by the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2008. A local authority is required to calculate an amount of MRP which they consider to be prudent, prepare a statement of its policy on making MRP and submit it to full Council. The Treasury Management Strategy 2014-2015 approved at Council on 27 March 2014 set out the policy proposals for the Borough for 2014/2015.
- 4.2 The amount of MRP charged to the accounts in 2014/2015 is £324,974 against a budget of £325,000. The actual MRP charge 2014/2015 has been calculated in accordance with the Council's policy based on the capital financing requirement as at 1 April 2014.

5 Capital Programme 2015/2018

- 5.1 The Capital Programme 2015/2018 was approved by Council on 26 February 2015. As detailed at section 2 above, it is proposed to carry forward budget provision of £3,235,350 from 2014/2015 to 2015/2016.
- 5.2 The following amendments have been included in the capital programme 2015/2016 and detailed at Appendix 2:

South Quay Redevelopment

Budget provision has been included in the capital programme 2015/2016 to meet the costs of the viability work for the redevelopment of the South Quay. A budget of £100,000 is included, £30,000 has been transferred from the existing waterfront project and the balance will be funded from reserves and a bid to the Norfolk Business Rates Pool.

Nar Ouse Regeneration Area (NORA)

As reported to Cabinet in February 2015, budget provision of £423,000 was transferred from the overall NORA project to fund grounds work costs for the King's Lynn Innovation Centre. Grant funding from the Local Enterprise Partnership (LEP) has now been awarded towards these works. The Council's budget provision will therefore be returned to the overall NORA project for remediation and land assembly costs.

Hunstanton – ‘Parks For People’

A Stage 1 Heritage Lottery Fund bid has been submitted to restore, refurbish and enhance key heritage assets in and around Hunstanton Green and the Esplanade Gardens and to engage people in the history, heritage and horticulture of the area. The outcome of the stage 1 application is expected at the end of June. The capital programme includes budget provision of £164,150 for the project, funded in part from capital receipts raised in Hunstanton.

Customs House - Roof

Urgent reinstatement works required to the cupola on the roof of the customs house. A capital budget of £90,000 will be included in 2015/2016 for these works to be funded from reserves.

Lynnsport – Replacement Athletics Equipment

The equipment requirements have been reviewed and the estimated cost has been reduced from £20,000 to £10,000. The capital budget will be amended from £20,000 to £10,000 and the third party contribution deleted.

Resort – Flood Gates – As reported in the February 2014 monitoring report an additional £40,000 has been transferred from general fund savings to reserves to increase the budget provision for the new flood gates in Hunstanton. The total budget in 2015/2016 is £135,200.

King’s Court and King’s Lynn Town Hall – Replacement Microphone Systems

As reported in the Revenue Outturn report £45,000 has been transferred to reserves to fund the replacement of the microphone systems at King’s Lynn Town Hall and King’s Court Committee Suite.

- 5.3 Table 4 shows in summary form the proposed programme 2015/2018 after allowing for rephrasing and amendments. Details of the individual schemes for 2015/2018 are given at Appendix 2.

Table 4

	2015/2016	2016/2017	2017/2018
	£	£	£
Major Projects	22,591,950	21,050,000	24,500,000
Central and Community Services	2,320,850	2,080,760	1,746,000
Chief Executive	85,600	164,150	0
Commercial Services	2,951,540	1,188,580	1,393,780
Environment and Planning	42,800	0	0
Total	27,992,740	24,483,490	27,639,780

6 Capital Resources 2015-2018

6.1 Table 5 below provides details of the revised estimated capital resources for 2015/2018 updated after funding the 2014/2015 capital programme, and including amendments and rephrasing as detailed above.

Table 5

	2015/2016	2016/2017	2017/2018	Total
	£'000	£'000	£'001	£'000
Sources of Finance:				
Specific Capital Grants (Better Care Fund)	759	759	759	2,277
Capital Receipts Housing	150	150	150	450
Capital Receipts General	2,278	1,500	1,450	5,228
External Borrowing	0	0	943	943
Resources for Specific Schemes:				
Reserves	1,432	540	357	2,329
Unsupported Borrowing	1,387	582	631	2,600
S106 Funds	855	46	0	901
LEP	423	0	0	423
Norfolk Business Rates Pool	40	0	0	40
Reserves:				
Capital Reserves	609	131	371	1,111
VAT Shelter	2,551	0	0	2,551
Total Resources	10,484	3,708	4,661	18,853
Capital Programme: S106 and Other Major Projects and Operational schemes	10,484	3,708	4,661	18,853
Net Funding Position	0	0	0	0
Joint Venture – NORA Housing				
Prior Year Borrowing brought forward	7,159	0	0	7,159
In year expenditure	6,193	2,300	0	8,493
In year sale receipts	(6,966)	(7,568)	0	(14,534)
Net Borrowing	6,386	(5,268)	0	1,118
Major Housing Development				
In year expenditure	11,316	18,475	22,979	52,770
Local Transport Board/S106	(2,000)	0	0	(2,000)
Sale Receipts	(1,200)	(9,726)	(23,920)	(34,846)
Funding from Capital Reserves	(584)	0	0	(584)
Net Borrowing	7,532	8,749	(941)	6,028

6.2 The funding for the period 2015/2018 was agreed by Council in 26 February 2015. The above table does contain some changes. Where schemes within the programme have been rephased the funding has followed and the figures changed accordingly.

7. Equality Impact Assessment

7.1 The Council has a statutory requirement to carry out Equality Impact Assessments (EIAs) as part of the service planning and policy proposal processes. This includes significant policy or significant changes to a service and includes potential capital bids, revenue growth bids and proposed reductions in service.

7.2 The Council may be required to carry out an impact assessment if the proposal impacts on any of the following:

- Equalities (including impact on issues of race, gender, disability, religion, sexual orientation, age)
- Community cohesion (whether there is a potential positive or negative impact on relations between different communities)

8 Financial Implications

8.1 The financing arrangements for the capital programme are within budget. Where rephasing to/from 2015/2016 is to be made then the funding will follow. As previously noted the MRP charge for 2014/2015 can be met from within the overall revenue outturn for the year.

8.2 The revenue implications of all capital schemes will be met from within existing budgets.

9. Risk Implications and Sensitivity Analysis

9.1 Risk is inherent in any projection of future funding. The estimated resources available to fund the capital programme 2015-2018 and the risk implications and sensitivity/consequences are detailed in the table below. The level of risk is based on the impact on the funding of the capital programme if the resources are not achieved at the estimated level or at the time expected.

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Capital Grant	<p>Risk The capital grant and specific grant included in the resources is a contribution towards housing capital expenditure and Disabled Facilities Grants (DFG). The level of grant included for 2015/2016 is based on the confirmed level of grant. The level of grant is confirmed by Central Government annually and can vary from year to year.</p> <p>Sensitivity/Consequences This funding represents 12% of total general fund resources in 2015/2018.</p>	Low

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Capital Receipts	<p>Risk Capital receipts represent 28% of the general fund resources available over the 3 year period 2015-2018. The actual amount and timing of capital receipts can vary significantly. The achievement of capital receipts is monitored and reported in the monthly monitoring reports to ensure no over commitment.</p> <p>Sensitivity/Consequences Capital receipts represent a high proportion of the total general fund resources available to fund the capital programme. The actual level of capital receipts that are achieved is sensitive to market conditions including demand for land and buildings, values and interest rates. The sum total of capital receipts included in the funding table of £5m plus £14.5m of sales receipts from the housing joint venture and £34.9m from the Major Housing Project, is a challenging target in the current economic climate. In the event that capital receipts are not achieved at the level or within the year estimated it may be necessary to take on additional temporary borrowing at the prevailing interest rates.</p>	High
Unsupported Borrowing	<p>Risk The proposed capital programme 2015-2018 includes unsupported borrowing for the purchase of equipment and vehicles.</p> <p>Sensitivity/Consequences The Council will enter into unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease.</p>	Low
Reserves	<p>Risk Contributions from reserves are based on actual balances as at 1 April 2015.</p> <p>Sensitivity/Consequences The reserves are available and as such the sensitivity is low.</p>	Low

9.2 Experience shows that the costs of schemes can also vary. Expenditure on the capital programme is included as part of the monthly monitoring report. Any significant variations on individual schemes will be reported and appropriate action taken

10 Policy Implications

The establishment and management of the capital programme are in accordance with the Council's Capital Strategy.

11 Statutory Consideration

None

12 Consultations

Management Team

13 Access to Information

Cabinet Reports
Background Papers (Government Circulars etc)
Financial Plan 2014-2018
Monthly Monitoring Reports 2014/2015

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					Appendix 1	
Capital Programme 2014-2015						
Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance	
	£	£	£	£		
Major Projects						
S106 Funded Projects						
Tesco Hardwick original allocation £898,790						
Expenditure to 31 March 2014 £3,690						
Market Contributions - Enhancing KL markets	30,000	(18,000)		11,989	(11)	
Town Centre Promotion - Marketing/events	18,000	(18,000)				
CCTV - Extend / upgrade system	17,100	38,000		61,137	6,037	
Town Centre public realm / signage / shop frontage improvements: Saturday market place refurbishment	190,000		10,000	200,000		
To be allocated public realm enhancements		10,000	(10,000)			
Sainsbury Hardwick original allocation £822,500						
Expenditure to 31 March 2014 £169,630						
Car Park Intelligent Signage	23,850	(25,350)		(1,510)	(10)	
To be allocated environmental enhancements	26,350	(14,350)	(12,000)			
CCTV - Extend/upgrade system	17,810	11,000		29,793	983	
Combined S106 Schemes						
King's Lynn Transport Interchange						
Hardwick Tesco	150,000	23,880		176,309	2,429	
Hardwick Sainsbury	150,000	23,880		176,309	2,429	
Third Party Contributions				(4,854)	(4,854)	
Total Scheme Expenditure	300,000	47,760		347,763	3	
Total S106 Funded Projects	623,110	31,060	(12,000)	649,171	7,001	

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Other Major Projects					
Sports Pavilion, Kingsway - Replacement	308,050			310,992	2,942
<i>Third Party Contribution - Sport England</i>	(148,500)	14,850		(133,649)	1
Net Expenditure - Sports Pavilion, Kingsway	159,550	14,850		177,343	2,943
Town Hall / Archive 'Stories of Lynn'	110,500	(21,510)	(20,500)	68,511	21
<i>Third Party Contribution - Fundraising</i>					
<i>Third Party Contribution - Heritage Lottery Grant</i>		(172,990)		(172,990)	
Net Expenditure - Stories of Lynn	110,500	(194,500)	(20,500)	(104,479)	21
Saturday Market Place Enhancements	715,000		72,500	440,524	(346,976)
<i>SMP Contribution - NCC public realm</i>	(60,000)				60,000
<i>SMP Contribution Townscape Heritage</i>	(140,000)				140,000
<i>SMP Contribution S106 Tesco Hardwick</i>	(190,000)				190,000
Net Expenditure - SMP	325,000		72,500	440,524	43,024
Townscape Heritage Development Phase	7,500			11,566	4,066
Townscape Heritage Initiative	200,000	(26,600)		173,331	(69)
Heritage Lottery Funding	(100,000)	13,300		(86,665)	35
Net Expenditure - Townscape Heritage Initiative	100,000	(13,300)		86,665	(35)
Tuesday Market Place Refurb	10,000		(10,000)	(5,247)	(5,247)
Road Widening QE Hospital Roundabout				(10,567)	(10,567)
Nar Ouse Regeneration Area					
Remediation	15,000			2,372	(12,629)
Millienium Community Construction	52,000	(2,000)		46,474	(3,526)
Utilities					
Landscaping	1,000			480	(520)
Marketing	10,000				(10,000)
Other Project Costs	35,000			61,072	26,072

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Total Nar Ouse Regeneration Area	113,000	(2,000)		110,398	(602)
Joint Venture / Housing Developments	50,000	(19,200)		30,800	0
Enterprise Centre (KLIC) - Ground Works	150,000	(150,000)			
Enterprise Centre (KLIC)					
Mintlyn Crematorium - Replace existing 3 Cremators	1,959,000	(427,900)		1,531,080	(20)
Total Other Major Projects	2,984,550	(792,050)	42,000	2,268,083	33,583
Major Housing Development					
Access Road - Edward Benefer Way / Lynnsport (shovel ready)	361,170		4,000	365,160	(10)
Lynnsport - Works to allow development of Land	200,000		(200,000)		
Lynnsport - Resite hockey pitch	9,500	(7,800)		1,660	(40)
Major Housing Development - Procurement Phase	115,000	(166,200)	196,000	145,714	914
Major Housing Development - Build Phase	200,000	9,200		209,203	3
Total Major Housing Development	885,670	(164,800)		721,737	867
Joint Venture - NORA Housing					
Phase 1	5,531,460	(377,700)		5,154,541	781
Third Party Contributions				(2,560)	
Phase 2	350,000	(306,700)		43,336	36
Phase 2 and 3 - Ground and Infrastructure Works	938,860	(938,900)			40
Total Joint Venture - NORA Housing	6,820,320	(1,623,300)		5,195,317	857

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Total Major Projects	11,313,650	(2,549,090)	30,000	8,834,308	42,308

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
<u>Operational Schemes</u>					
<u>Central and Community Services</u>					
Community Projects	50,000	(50,000)			
Disabled Facilities grants	491,500	(67,900)	8,300	431,892	(8)
Adapt Grant	343,400	(78,900)	8,300	272,793	(7)
Home Repair Assistance Loan	30,000		(1,800)	28,199	(1)
Emergency Repair Grant	6,000		(3,800)	2,144	(56)
Additional Adaptation Assistance Loan	10,000		(10,000)		
Careline Grant	10,000			12,363	2,363
Safe and Secure Grant	10,000		(1,000)	6,692	(2,308)
Total Private Sector Housing Assistance	900,900	(146,800)		754,082	(18)
Careline - Replacement alarm units	10,000			9,900	(100)
Total Central and Community Services	960,900	(196,800)		763,982	(118)
<u>Chief Executive</u>					
Housing Enabler Schemes				395,473	395,473
Tourist Signs A47		2,000		2,000	
<u>Hunstanton Regeneration</u>					
Town Centre Enhancement	22,000	(18,900)		2,425	(675)
Sailing Club Project					
Town Team	3,700	(3,700)			
Hunstanton Sailing and Watersports Club				671	671
King's Lynn Waterfront / Regeneration Projects	5,000	(5,000)			

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Total Chief Executive	30,700	(25,600)		400,569	395,469

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Commercial Services					
Arts Centre Complex		2,000		2,000	
Car Parks - Pay & Display Machine Replacement	4,000	(3,600)		385	(15)
Car Parks - Counting Machine - Hunstanton	10,000			9,317	(683)
Car Parks - Counting Machine - Kings Lynn	10,000			8,640	(1,360)
Car Parks - Decrim (NCC)				21,754	21,754
<i>NCC Contribution</i>				(21,754)	(21,754)
Net Expenditure Decrim					
Car Parks - North Norfolk				10,907	10,907
Car parks - Vehicles				24,730	24,730
CCTV Control Room Upgrade	40,000	(32,500)		7,530	30
CCTV Wireless Transmission and Camera Replacement	18,200	66,500		84,663	(37)
CCTV Remote Monitoring System	20,000	4,400		24,386	(14)
CCTV Thetford Bus Station				16,652	16,652
Third Party Contribution				(16,652)	(16,652)
Net Expenditure					
Downham Market Leisure Ctr - Refurb Toilets	15,000		(5,000)	9,971	(30)
Downham Market Leisure Centre - Ladies Changing Room Refurb	15,000		(6,200)	8,828	28
Downham Market Leisure Centre - Flooring Replacement	3,700	(11,200)	11,200	3,724	24

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Commercial Services contd					
Grounds Maintenance Equipment	38,500	(22,000)		23,380	6,880
Grounds Maintenance Vehicles	27,820			21,495	(6,325)
Leisure Card - Gladstone server Platform Upgrade / learn 2 system	5,500	5,700		11,167	(33)
Lynnsport - Floor / Surface Replacement - General areas / Athletic track / Gymnastics	8,000	(3,000)		4,988	(12)
Lynnsport - Barn / track area asphalt / slabs replacement	15,000			10,000	(5,000)
Lynnsport - changing room refurbishment	5,000	(2,000)		2,859	(141)
Lynnsport - Fire Alarm System Upgrade	7,500	(7,500)			
Lynnsport - Replacement of Track Sweeper	10,000			9,995	(5)
Lynnsport - Retractable seating	18,000	(1,500)		16,500	
Lynnsport - Sports Hall - Heating Replacement	15,000			14,248	(752)
Lynnsport - Front Entrance	24,200			24,792	592
Oasis - Air Handling Unit	98,000	(11,000)		100,095	13,095
Oasis - Cafeteria & Poolside Furniture		4,900		4,873	(28)
Play Areas - Replacement Equipment and Surfacing	33,200	(33,200)			
Princess Theatre	49,620			47,047	(2,573)
Third Party Contribution				(12,116)	(12,116)
	49,620			34,931	(14,689)
Resort - Promenade flood defence gates		4,800		4,825	25
St James - Pool Cover/LED Lighting				7,109	7,109
Public Conveniences - Improvements	49,000	(15,200)		33,786	(14)
Refuse - Black bins				4,688	4,688
Third Party Contribution				(1,710)	(1,710)
Net Expenditure				2,978	2,978

Scheme Title	Updated Programme 2014/2015	Rephasing (to)/from 2015/2016	Amendments	Outturn 2014/2015	Variance
	£	£	£	£	
Refuse - Communal Waste Containers					
Refuse - Brown Composting bins (replacements)	45,500	(10,800)		34,694	(6)
Refuse - Green Recycling bins	60,000	(21,000)		38,913	(87)
Refuse - Trade Bins				9,506	9,506
Public Cleansing Sweepers / Vehicles	134,800			134,735	(65)
Neighbourhood Teams vehicles and equipment	94,760	(94,760)			
New Nursery Hardwick Narrows	5,000	1,500		6,447	(53)
Total Commercial Services	880,300	(179,460)		747,396	46,556
<u>Environment and Planning</u>					
Decommission flood warning sirens				(734)	(734)
Total Environment and Planning				(734)	(734)
<u>Resources</u>					
STW - Refurb / connect to public sewer	44,000	(43,700)		210	(90)
Third Party Contribution	(35,000)	34,700		(289)	11
Net Expenditure STW Refurb	9,000	(9,000)		(79)	(79)
STW - Decommission redundant sites / Refurb pumping stations	55,000	(30,500)		24,565	65
DDA stage 2 works	20,000			20,000	
ICT Development Programme	244,100	(94,900)		195,116	45,916
King's Court - Toilet Refurbs	51,400			52,771	1,371
North Lynn Industrial Estate - 1-8 Brygen Rd reroof	150,000	(148,000)		2,197	197
Total Resources	529,500	(282,400)		294,570	47,470
Total Operational Schemes	2,401,400	(684,260)		2,205,784	488,644
Total Capital Programme	13,715,050	(3,233,350)	30,000	11,040,092	530,952

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			Appendix 2
Capital Programme 2015-2018			
Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
Major Projects			
S106 Funded Projects			
Market Contributions - Enhancing KL markets	48,000	30,000	
Town Centre Promotion - Marketing/events	34,000	16,000	
Sainsbury Hardwick original allocation £822,500			
Expenditure to 31 March 2014 £169,630			
Car Park Intelligent Signage	105,350		
To be allocated environmental enhancements	14,350		
Combined S106 Schemes			
King's Lynn Transport Interchange			
Gaywood Tesco	6,800		
Hardwick Tesco	326,120		
Hardwick Sainsbury	319,980		
Council Contribution	300,000		
Total Scheme Expenditure	952,900		
Total S106 Funded Projects	1,154,600	46,000	

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
<u>Other Major Projects</u>			
Sports Pavilion, Kingsway - Replacement			
<i>Third Party Contribution - Sport England</i>	(14,850)		
Net Expenditure - Sports Pavilion, Kingsway	(14,850)		
Town Hall / Archive 'Stories of Lynn'	2,467,590		
<i>Third Party Contribution - Fundraising</i>	(185,480)		
<i>Third Party Contribution - Heritage Lottery Grant</i>	(1,677,610)		
Net Expenditure - Stories of Lynn	604,500		
Townscape Heritage Initiative	426,600	400,000	
Heritage Lottery Funding	(213,300)	(200,000)	
Net Expenditure - Townscape Heritage Initiative	213,300	200,000	
Nar Ouse Regeneration Area			
Remediation	448,000		
Millienium Community Construction	2,000		
Utilities			1,521,000
Landscaping	30,000	29,000	
Marketing			
Other Project Costs	40,000		
Total Nar Ouse Regeneration Area	520,000	29,000	1,521,000
Joint Venture / Housing Developments	29,200		
Enterprise Centre (KLIC) - Ground Works	673,000		
Enterprise Centre (KLIC)	1,000,000		
Mintlyn Crematorium - Replace existing 3 Cremators	802,900		
South Quay Redevelopment - viability	100,000		
Total Other Major Projects	3,928,050	229,000	1,521,000

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
<u>Major Housing Development</u>			
Lynnsport - Resite hockey pitch	417,800		
Major Housing Development - Procurement Phase	166,200		
Major Housing Development - Build Phase	10,732,000	18,475,000	22,979,000
Total Major Housing Development	11,316,000	18,475,000	22,979,000
<u>Joint Venture - NORA Housing</u>			
Phase 1	377,700		
Phase 2	5,176,700	2,000,000	
Phase 2 and 3 - Ground and Infrastructure Works	638,900	300,000	
Total Joint Venture - NORA Housing	6,193,300	2,300,000	
Total Major Projects	22,591,950	21,050,000	24,500,000

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
<u>Operational Schemes</u>			
<u>Central and Community Services</u>			
Community Projects	100,000	50,000	50,000
Disabled Facilities grants	911,900	894,000	750,000
Adapt Grant	873,400	844,500	680,000
Home Repair Assistance Loan	30,000	30,000	30,000
Emergency Repair Grant	6,000	6,000	6,000
Additional Adaptation Assistance Loan	10,000	10,000	10,000
Careline Grant	30,000	30,000	30,000
Safe and Secure Grant	30,000	30,000	30,000
Total Private Sector Housing Assistance	1,891,300	1,844,500	1,536,000
Careline - Replacement vehicles		26,260	
Careline - Replacement alarm units	10,000	10,000	10,000
Care and Repair - Vehicles	44,650		
ICT Development Programme	244,900	150,000	150,000
ICT Server Room - hardware refresh	30,000		
Total Central and Community Services	2,320,850	2,080,760	1,746,000
<u>Chief Executive</u>			
Tourist Signs A47	23,000		
<u>Hunstanton Regeneration</u>			
Town Centre Enhancement	19,000		
Hunstanton Green - Parks For People HLF Scheme	9,900	164,150	
Town Team	3,700		
Hunstanton Sailing and Watersports Club	30,000		
Total Chief Executive	85,600	164,150	

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
Commercial Services			
Allotments - KL Curtis Field Fencing	10,000		
Arts Centre Complex	48,000		230,000
Car Parks - Pay & Display Machine Replacement	17,600		
Car Parks - Resurfacing	23,000	197,800	221,000
Car Parks - Electronic Handhelds		30,000	
Car parks - Vehicles	11,720	13,410	
CCTV Control Room Upgrade	122,500		
CCTV Wireless Transmission and Camera Replacement	173,500		
CCTV Remote Monitoring System	35,600		
Corn Exchange - Auditorium remedial works		20,000	
Corn Exchange - Internal decoration / refurbishment		80,000	
Corn Exchange - Front of House / toilets - refurb / replacement equipment / redec	10,000		
Corn Exchange - Replace current house lighting system		20,000	
Corn Exchange - Replace flying trusses	10,000		
Corn Exchange - Replace Followspots	35,000		
Corn Exchange - Repoint brickwork		20,000	
Corn Exchange - Refurbish seating			20,000
Corn Exchange - New Sound Desk	30,000		
Corn Exchange - Conference chair/tables replacement	12,500	12,500	
Customs House - Reinstatement Works to Cupola	90,000		
Downham Market Leisure Ctr - Air Conditioning Fitness Suite		25,000	
Downham Market Leisure Ctr - Hot Water Calorifier		10,000	
Downham Market Leisure Centre - Flooring Replacement	11,200		
Downham Market Leisure Centre - Replacement Fitness Equipment	100,000		
Downham Market Leisure Centre - Replacement Spin Bikes	20,000		
Downham Market Leisure Centre - Pool Plant filter media replacement			10,000
Downham Market Leisure Centre -Main hall/dance studio resealing			10,000
Downham Market Leisure Centre - Dryside Boiler			20,000

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
Commercial Services Contd			
Grounds Maintenance Equipment	42,590	34,100	35,510
Grounds Maintenance Vehicles	60,740	29,830	291,040
Kettlewell Gardens - CCTV and Street Lighting	30,000		
Guildhall - Replace lighting system	20,000		
Leisure Card - Gladstone server Platform Upgrade / learn 2 system	22,300		
Lynnsport - Floor / Surface Replacement - General areas / Athletic track / Gymnastics	73,000		
Lynnsport - Extension / layout existing car park	236,000		
Lynnsport - changing room refurbishment	2,000		
Lynnsport - Fire Alarm System Upgrade	7,500		
Lynnsport - Replacement Athletics Equipment	10,000		
Lynnsport - Fitness Area - replacement air conditioning	30,000		
Third Party Contribution	(20,000)		
Net Expenditure	10,000		
Lynnsport - Fitness equipment spin bikes		11,000	
Lynnsport - Retractable seating	1,500		
Lynnsport - Skatepark replacement ramps	70,000		
Lynnsport - Parking Barrier		12,000	
Lynnsport - replacement adult/junior fitness equipment			114,000
Lynnsport - replacement boilers and associated plant			120,000
Oasis - Air Handling Unit	11,000		
Oasis - Cafeteria & Poolside Furniture	15,100		
Oasis - Fitness Equipment Replacement		125,000	
Oasis - Funcastle Vinyl products replacement	15,000		
Oasis - Plant Room Refurbishment		37,500	
Oasis - Pool Covers / Jacuzzi Refurb	10,000		

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
<u>Commercial Services contd</u>			
Play Areas - Replacement Equipment and Surfacing	105,200	20,000	20,000
Resort - Beach Safety Signage	15,000		
Resort - Refurb Crazy Golf Course	18,500		
Resort - Vinyl & Banner printer			
Resort - Promenade flood defence gates	135,200		
St James Pool - Floor / surface replacements	20,000		
St James Pool - Fitness Equipment		60,000	
St James - Filter media change			15,000
Public Conveniences - Improvements	55,200		
Refuse - Black bins		30,800	
Refuse - Brown Composting bins (replacements)	25,800	15,000	
Refuse - Green Recycling bins	49,000	28,000	
Public Cleansing Sweepers / Vehicles	96,530	285,650	203,440
Neighbourhood Teams vehicles and equipment	94,760	60,990	12,290
New Nursery Hardwick Narrows	111,500		
St Edmunds Church DMkt - Relocating grave stones	30,000		
Estate Roads - Resurfacing (former HRA)	10,000	10,000	10,500
STW - Refurb / connect to public sewer	243,700		
Third Party Contribution	(34,700)		
Net Expenditure STW Refurb	209,000		
STW - Decommission redundant sites / Refurb pumping stations	30,500		61,000
DDA stage 2 works	20,000		
Health and Safety - Council Facilities	15,000		
King's Court - Relocate Post Room to Ground Floor	15,000		
King's Court - Refurbishment of Lifts	100,000		
King's Court/Town Hall - Replacement Microphone Systems	45,000		
Works to Oldsunway Bridge	20,000		
North Lynn Industrial Estate - 1-8 Brygen Rd reroof	293,000		
Hardwick Industrial Estate unit 55/56 - Externalise drainage downpipes	40,000		

Scheme Title	Amended Programme 2015/2016	Amended Programme 2016/2017	Amended Programme 2017/2018
	£	£	£
Total Commerical Services	2,951,540	1,188,580	1,393,780
Environment and Planning			
Environmental Monitoring	42,800		
Total Environment and Planning	42,800		
Total Operational Schemes	5,400,790	3,433,490	3,139,780
Total Capital Programme	27,992,740	24,483,490	27,639,780

AUDIT AND RISK COMMITTEE WORK PROGRAMME 2015/2016

8 June 2015

- Final Accounts and Statement of Accounts for year ended 31 March 2015: Revenue Outturn, Capital Programme and Resources.

23 June 2015

- Internal Audit end of Year Progress Report.
- Fraud Report.
- Risk Register
- Annual Treasury Report 2014/2015.

21 July 2015

5.30 pm start – First Item – Presentation on the Annual Governance Statement – all Members invited to attend

- Audit Manager's Annual Report
- Effectiveness Reviews
- Business Continuity Annual Update (40 minutes) – D Robson

7 September 2015

- Statement of Accounts 2013/2014
- Annual Governance Statement.
- Monitoring Officer Report 2014/2015 – E Duncan

27 October 2015

- Internal Audit Half Year Progress Report
- Fraud Report
- Risk Register

24 November 2015

- Annual Audit Letter – External Audit
- Mid Year Treasury Report

23 February 2016

- Treasury Management (Cabinet Report)
- Annual Certification of Claims and Returns
- External Audit Plan