

EXETER CITY COUNCIL
SCRUTINY COMMITTEE – ECONOMY
11 NOVEMBER 2010

CAPITAL PROGRAMME MONITORING

1. PURPOSE OF REPORT

- 1.1. This report advises Members of the latest position with regard to the 2010/11 capital programme for the Economy and Development Directorate.

2. INFORMATION AND ANALYSIS

- 2.1 This report provides a summary of the position at the end of September 2010 with Appendix 1 containing a complete list of capital projects.
- 2.2 Since the 2010/11 capital programme was approved, Central Government has announced a tightening of public sector spending over the next few years. Whilst the implications of this for the Council remain uncertain, it will inevitably put significant pressure on budgets. Setting a capital programme which is affordable and sustainable over the next few years will therefore become increasingly important.
- 2.3 In the light of this situation, officers have considered it prudent to review the current capital programme, to identify where savings and reductions might be made, and to consider whether some schemes could be deferred, reduced or removed from the programme.
- 2.4 At this stage, schemes which have not yet been committed have mostly been put on hold until the review is complete and can be considered fully. Schemes which are largely funded from external sources, schemes which are expected to generate revenue savings, and works which are considered to be urgent, will be largely unaffected.
- 2.5 This process was reported as part of the first quarter's capital monitoring report to the meeting of Executive on 29th September 2010. In due course, a further report will be presented to the Executive for consideration. Meanwhile the main effects on the Economy and Development capital programme are:

- **Canal Basin**

It is estimated that expenditure of £200,000 will be incurred in 2010/11 on the current work programme and commitments. The cost of this development is largely financed from capital receipts and section 106 contributions, with elements of the scheme being delivered as and when receipts are generated.

At the beginning of the year, receipts of £612,000 were forecast although none have been generated so far this year, and there remains some uncertainty at this time of what may be forthcoming. The remaining balance of the budget of £649,850 will therefore be deferred to 2011/12 at this stage.

Progress to date with the project is set out in the table in Appendix 1.

- **City Centre Enhancements**
The forecast spend for 2010/11 is £270k. A further £40,000 is committed for work at Sidwell Street in 2011/12, leaving a remaining budget of £116,000, which it is proposed should be reconsidered as part of the 2011/12 budget exercise.
- **King William Street Car Park**
The car park refurbishment is being undertaken this year at an estimated cost of £223,000, with the balance of £200,000 to be carried forward for works to Sidwell Street next year (£40,000 of which has already been committed).
- **Central Station**
This is a joint City Council and Devon County Council concept design which has been agreed in principle with Network Rail. Devon County has deferred its contribution of £75,000 towards the scheme to 2011/12 whilst discussions continue with Network Rail and train operators about potential funding contributions from the National Stations Improvement Programme which is backed by the Department for Transport.

It is proposed that this scheme be reconsidered as part of the 2011/12 budget exercise.

- 2.6 The £200k budget for planned improvements to **Cowick Street** was frozen after the collapse of the Icelandic banks. Reinstatement of this scheme in the capital programme will be considered as part of the budget setting process for 2011/12.

3 RECOMMENDATION

- 3.1 That Members note the contents of this report.

Ross Hussey
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ECONOMY AND DEVELOPMENT DIRECTORATE

Local Government Act 1972 (as amended)

Background papers used in compiling this report:-

None.