



Money Matters

The County Council's Capital Financial Position

2019/20 Quarter 1 and 2019/20 Revised

Programme

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1. Executive Summary

A 2019/20 capital delivery programme of £130.289m was agreed at full council in February. This was based on the best forecast available at that point in time with the need to review and update to reflect the impact of the 2018/19 outturn position, associated slippage and advance delivery, additions to the programme subsequently agreed by cabinet and an updated assessment of deliverability within the year.

Table 1 below details the impact of the review including agreed additions to the programme through subsequent cabinet decisions and a number of reprofiling changes which have been agreed by programme managers and approved at the capital board. The revised delivery programme will be used as the basis for monitoring progress over the rest of the financial year and a more detailed narrative of what the 2019/20 delivery programme will achieve by block is included later in the report.

Table 1 – 2019/20 Capital Delivery Programme

Programme	Original 2019/20 Delivery Programme	Cabinet Decisions	Reprofiling Changes	Revised 2019/20 Delivery Programme
	£m	£m	£m	£m
Schools (including DFC)	24.386	10.347	-8.725	26.008
Children & Young People	0.027	0.480	-0.446	0.061
Highways	46.776	0.408	3.873	51.057
Transport	30.128	0.080	-11.005	19.203
Externally Funded schemes	0.111	9.717	0.455	10.283
Waste & Other	0.190	0.000	0.606	0.796
Adult Social Care	13.654	0.926	1.586	16.166
Corporate	11.297	0.000	4.859	16.156
Vehicles	3.720	0.000	-0.360	3.360
Total	130.289	21.958	-9.157	143.090

2. Detailed monitoring by block

2.1 Schools

The schools capital programme has a 2019/20 delivery programme of £26.008m. The delivery programme has 184 schemes that will be worked on this year.

The basic need programme is comprised of construction projects to increase school places in targeted areas across Lancashire. The 2019/20 delivery plan for this programme of works is £11.449m across 8 active projects. There is a risk of slipped delivery on a small number of projects if the tendering processes do not complete on schedule, which would impact the time available for works to progress over the summer holidays.

The condition programme delivers a variety of works to address priority condition issues at existing schools. The delivery plan for 2019/20 is £12.059m and will see the financial completion of 104 projects delivered in previous years and the start of a new programme of 48 projects approved by cabinet in March of this year. The remainder of the delivery programme relates to the completion of 24 projects which commenced in 2018/19 and will be completed this year.

2.2 Children and Young People

The children and young people capital programme has a 2019/20 delivery programme of £0.061m. The delivery programme has 6 schemes that will be worked on this year.

The main schemes included within the children and young people capital programme are the improvements to an overnight short breaks unit and site demolition works at Great Harwood North Cliffe.

2.3 Highways

The highways capital programme has a 2019/20 delivery programme of £51.057m. The delivery programme has approximately 500 schemes that will be worked on this year.

The delivery programme includes plans to invest over £20.000m on road schemes such as pre-patching, surface dressing and resurfacing. £5.000m has been allocated for bridge maintenance including bridge inspections and £3.500m on improving footways. In 2019/20 the authority is investing over £7.000m on street lighting replacing 26,000 lanterns with LEDs. In addition to planned maintenance £8.000m has been earmarked for reactive maintenance and in the first quarter of 2019/20 there has continued to be significant expenditure (£1.900m) on fixing structural defects.

2.4 Transport

The transport capital programme has a 2019/20 delivery programme of £19.203m. The delivery programme is expecting to deliver 163 schemes this year.

The major schemes/programmes to be delivered within the 2019/20 Delivery Programme are:

National Productivity Investment Fund (NPIF) - the programme of work at six sites was approved in January 2018 to improve traffic flow to areas of economic development. These are the M65 junction 13 roundabout, Vivary Way North Valley road, A583 Riversway corridor, M6 junction 31 Swallow Hotel and M65 growth corridor improvements at J8, 9, 10 and 13. The projects have moved to the design stage and a delivery budget of £1.095m has been established. It was agreed that £1.500m of the £4.089m budget would be transferred to Rosegrove Junction for improvements under the Burnley Pendle Hyndburn Growth Corridor Programme.

Road Safety Schemes - of the 2019/20 Integrated Transport Grant allocation of £0.470m, £0.429m relating to 10 newly established projects has been reprofiled for delivery in 2020/21 including the pedestrianising of Central Morecambe, including enhanced signage and junction improvements. 28 projects within the Programme have been completed since 2016, 10 are at pre-closure with a further 8 in the final stages of construction. A delivery budget of £0.901m has been set for 2019/20 which will finalise many of the projects slipped from 2018/19.

Burnley Pendle Hyndburn Growth Corridor - a delivery budget has been set at £2.948m most of which is the improvements to Rosegrove junction, previously delayed by land and ecological problems, supported by the newly approved NPIF Funding. Work is scheduled to continue on the programme until 2021.

Skelmersdale Rail Link- £2.945m has been included in the delivery programme in 2019/20. The study is anticipated to complete in December 2019, when a Strategic Outline Business Case will be presented to the DfT to support decisions as to whether to progress the scheme or not.

M6 – Heysham Bay Gateway - Final payments totalling £1.970m have been made to contractors and this is the majority of the £1.980m delivery budget set for 2019/20. Part 1 compensation claims estimated at £2.000m are being negotiated and will continue to be paid as awarded until 2022.

Safer Roads- LCC secured a Department for Transport (DfT) from the Safer Roads Fund in response to a bid for improvements to the A588, A682, A683, A6 and A581. The DfT will provide £7.942m over three financial years, 2019/20 to 2021/22. All schemes are intended to reduce the risk serious collisions occurring along the routes by reducing exposure to hazards and should increase the International Road Assessment Programme (iRAP) Star Rating for all routes. Six of the projects have now gone to the design stage and £2.405m has been included in the 2019/20 delivery programme for these.

2.5 Externally Funded Schemes

The externally funded schemes programme has a 2019/20 delivery programme of £10.283m. The delivery programme has 26 schemes that will be worked on this year.

From the 26 schemes to be worked on in year the main schemes are:

UCLAN Masterplan- it is expected that the works on the road infrastructure around the UCLAN site will cost £5.581m in 2019/20.

Eastway Phase 2- works costs of £0.929m are expected to be delivered in 2019/20 as part of the development of the Eastway area for housing sites and commercial developments.

M55 Link Road – Work on this scheme is expected to cost £3.100m in 2019/20 for the design and development of the scheme.

2.6 Waste and Other

The waste and other capital programme has a 2019/20 delivery programme of £0.796m. The delivery programme has 5 schemes that will be worked on this year.

The main schemes within the Waste and Other Capital programme are the Adult ICT Replacement/Resolution project which comprises £0.500m of the overall delivery programme, Capital Contribution to Lancashire Environment Fund (£0.100m) and Household Waste Recycling Centres (£0.172m).

2.7 Adults Social Care (ACS)

The ACS capital programme has a 2019/20 delivery programme of £16.166m. The delivery programme has 4 schemes that will be worked on this year.

The largest scheme within the adults capital delivery programme is the Disabled Facilities Grant totalling £14.731m. This grant is passported to district councils for them to distribute. Other major schemes within the adults capital programme are Social Care Reform Lancashire Person Record Exchange Services (LPRES) with forecast delivery of £0.500m and libraries ICT works forecast at £0.926m.

2.8 Corporate

The corporate capital programme has a 2019/20 delivery programme of £16.156m. The delivery programme has 78 schemes that will be worked on this year.

The main area of spend within the corporate delivery programme is the works to operational premises programme with forecast delivery of £8.327m.

Property works on older peoples residential homes are continuing, with forecast delivery in 2019/20 of £5.232m. The money has been allocated to refurbish existing Lancashire County Council residential homes throughout the county.

The library refurbishment programme is continuing into 2019/20 with existing commitments being forecast to be delivered in year, and further spend on the core systems programme is included in the delivery plan with final costs due on existing systems, most notably the education, health and care plan module due to cost £0.170m in 2019/20.

2.9 Vehicles

The vehicles capital programme has a 2019/20 delivery programme of £3.360m.

The vehicles capital programme is a rolling programme to replace Lancashire County Council's vehicle stock. The delivery programme for 2019/20 covers approximately 120 vehicles and 3 mobile libraries that are planned to be replaced this year.