



Carlisle City Council

Report to People Panel

Meeting Date: 9 June 2022
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: K.11/22
Policy and Budget Framework: Yes
Public / Private: Public

Title: Provisional Capital Outturn 2021/22 and Revised Capital Programme 2022/23
Report of: Corporate Director of Finance and Resources
Report Number: RD04/22

Purpose / Summary:

This report summarises the 2021/22 provisional out-turn for the Council's capital programme and provides details of the revised capital programme for 2022/23. This report was considered by Executive on 25 May 2022.

Questions for / input required from Scrutiny:

Members are asked to scrutinise the outturn position including the approved slippage of schemes and the resulting impact on the 2022/23 capital programme.

Recommendations:

Members of the People Panel are asked to scrutinise this report.

Tracking

Executive:	25 May 2022
Scrutiny:	9 June 2022 (People Panel)
Council:	19 July 2022



Carlisle City Council

Report to Executive

Meeting Date: 25 May 2022
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: K.11/22
Policy and Budget Framework: Yes
Public / Private: Public

Title: Provisional Capital Outturn 2021/22 and Revised Capital Programme 2022/23
Report of: Corporate Director of Finance and Resources
Report Number: RD04/22

Purpose / Summary:

This report summarises the 2021/22 provisional out-turn for the capital budget and provides details of the revised capital programme for 2022/23. The out-turn shows that the net underspend for Council Services as at 31 March 2022 once committed expenditure totalling £7,106,700 is taken into account is £364,314.

It should be noted that the information contained in this report is provisional subject to the formal audit process. The draft Statement of Accounts for 2021/22 will be presented to the Audit Committee on 8 July, with final approval of the audited accounts on 28 September (tbc).

Recommendations:

The Executive is asked to:

- (i) Note the net underspend as at 31 March 2022 of £364,314 which includes committed expenditure to be met totalling £7,106,700, which is recommended by the Corporate Director of Finance and Resources for approval to Council;
- (ii) Consider the revised programme for 2022/23, together with the proposed methods of financing and virement request, as detailed at paragraph 5 and Appendix B, for recommendation to Council.

Tracking

Executive:	25 May 2022
Scrutiny:	9 June 2022 (People Panel)
Council:	19 July 2022

1. Background

1.1 This report sets out the summarised financial out-turn for the Council's Capital Programme as follows:

- (i) the out-turn for individual schemes for 2021/22, summarised in **Appendix A**
- (ii) the revised programme for 2022/23, and the provisional programme for 2023/24 to 2026/27, summarised in **Appendix B**.

1.2 The report sets out the financial implications arising from the out-turn including the impact on capital resources for 2022/23. Members should note that the information contained in this report is provisional and subject to the formal audit process. Any significant changes required following the approval of the 2021/22 accounts will, if required, be reported to a future Executive meeting.

1.3 Please note that throughout this report the use of brackets indicates a favourable variance i.e., either an underspend or additional income received.

2. Capital Budget Overview

2.1 The original capital programme of £19,070,400 was approved in February 2021. Since then, a review of the capital programme has been undertaken and the capital funding has been revised. In accordance with proper accounting practices, it has been necessary to gross up the expenditure budgets to properly reflect the total cost of the schemes including those fully funded from external grant/contributions.

The revised programme for 2021/22 of £28,425,600 is a result of the following funding streams:

2021/22 Capital Budget	£
Original 2021/22 Programme (approved Feb 2021)	19,070,400
Carry forwards from 2020/21 (RD65/20 Council 02/03/21)	3,031,500
Carry forwards from 2020/21 (RD16/21 Council 20/07/21)	4,454,600
Increase for Empty Property Grants (GD13/21 Executive 08/03/21)	109,400
Increase from S106 contributions towards Play Area Improvements (OD26/21 & OD34/21)	153,200
Increase for Carlisle Citadels Project (LD02/21 23/02/21)	902,500
Increase for Swifts Wildlife Haven (OD27/21)	70,000
Adjustment to external funding for Swifts Wildlife Haven	1,100
Increase for Bitts Park Water Feature (CS33/20 Executive 14/12/20)	10,500
Additional Disabled Facilities Grant (RD16/21 Council 20/07/21)	255,800
Increase for Tullie House Levelling Up Fund (ED17/21 Council 15/06/21)	1,500,000
Increase from S106 contributions for Bitts Park Public Realm (OD60/21)	32,000
Increase from S106 contributions towards Play Area Improvements (OD47/21)	237,400
Increase for grant funding towards Litter Binrastructure project	24,300
Future High Street Fund (ED22/21 Council 20/07/21)	1,436,000
Footway Lighting Melbourne Park (OD73/21)	22,200
S106 contribution towards Affordable Housing (ED25/21 Executive 02/08/21)	600,800
Financials Upgrade (OD92/21)	80,900
Less reduction in Capital programme (RD51/21 Executive 22/11/21)	(394,800)
Removal of Reserves to be released by Executive (RD51/21 Executive 22/11/21)	(1,500,000)
External grant for Sustainable Warmth Competition (GD73/21 Executive 25/10/21)	2,210,000
Revenue Contribution towards the purchase of Waste Receptacles	72,100
Revenue Contribution towards IT equipment	179,900
Revenue Contribution towards Civic Centre Development	2,000
Revenue Contribution towards Vehicle Replacements	5,200
Revenue Contribution towards Bitts Park Towns Deal	68,900
Revenue Contribution towards Bitts Park Public Realm	10,000
Revenue Contribution towards Asset Demolition	44,000
Revenue Contribution towards Play Area Developments	10,000
Revenue Contribution towards Skew Bridge Deck	9,100
Reduced grant towards Play Area Developments	(15,000)
Reduced insurance settlement for Bitts Park Water feature	(3,300)
External contribution towards Civic Centre Development	14,700
External contribution towards Sands Centre Development	2,500
External contribution towards Disabled Facilities Grants	13,000
Agreed Carry Forwards into 2022/23 (RD77/21 Council 01/03/22)	(4,295,300)
Revised 2021/22 Capital Programme	28,425,600
Less Capital Reserves to be released by Executive (see para 3.10)	(380,000)
Revised 2021/22 Capital Programme (released)	28,045,600

2.2 The provisional outturn position for the 2021/22 capital programme is shown below:

Capital Expenditure	Revised Annual Budget	Total Expenditure	Variance	Carry Forwards (Committed)	Adjusted Variance
	£	£	£	£	£
Community Services	20,364,900	16,722,875	(3,642,025)	3,828,800	186,775
Corporate Support	439,600	409,978	(29,622)	29,600	(22)
Economic Development	2,944,700	1,246,381	(1,698,319)	1,689,600	(8,719)
Finance & Resources	80,900	37,444	(43,456)	43,500	44
Governance & Regulatory Services	4,208,300	2,530,744	(1,677,556)	1,135,200	(542,356)
Exceptional Items	7,200	7,164	(36)	0	(36)
Total Expenditure	28,045,600	20,954,586	(7,091,014)	6,726,700	(364,314)
Reserves to be released	380,000		(380,000)	380,000	0
Total Expenditure	28,425,600	20,954,586	(7,471,014)	7,106,700	(364,314)

2.3 The position for 2021/22 after committed carry forwards have been taken into account is an underspend of £364,314.

2.4 The main variances after carry forwards are summarised below:

- An overspend of £161,287 on the Civic Centre Development project in relation to increased consultant fees.
- An overspend of £26,284 on the purchase of Waste Receptacles.
- An underspend of £532,583 on the Gateway 44 Retail Park Development. Capital expenditure in relation to the remaining empty units has been revised downwards.

2.5 Otherwise, schemes are progressing within budget, although some schemes have not been completed to the original timescales which has resulted in the request for carry forwards.

2.6 Further details for each directorate are included in **Appendices A1-A6**.

2.7 The 2021/22 programme has been kept to a level that takes account of the Council's ability to deliver schemes with regard to capacity and available resources. Work has been carried out throughout the year to monitor the profiling of budgets and these have been adjusted to reflect progress in current capital schemes. The year end position for the capital programme is improved from previous years due to the implementation of the corporate reserves procedure and the improved profiling.

3. Carry Forward Requests

3.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to

facilitate greater flexibility of budgets between years as set out in the Medium-Term Financial Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:

- *the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*
- *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation Scrutiny Panel (now People Panel) and to the Council.*

The delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.

Carry forwards at the end of the year have been analysed to assess the year of potential expenditure to enable better profiling of budgets for future years. Of the committed carry forwards shown in paragraph 2.2, it is estimated that the full £7,106,700 will be spent in 2022/23.

4. Financing of the Capital Programme 2021/22

- 4.1 Utilisation of resources to fund the 2021/22 capital programme in light of the outturn is provisionally estimated as follows:

	Revised Budget £	Provisional Out-turn £
Capital Programme expenditure in year	28,425,600	20,954,586
Financed by:		
Capital Receipts (note 1)	0	82,940
Capital Receipts - to fund cost of disposal	(112,000)	(3,080)
Capital Grants		
• Disabled Facilities Grant	2,155,600	2,155,574
• Future High Street Fund	316,700	124,527
• Carlisle Citadels	934,700	925,928
• General (note 2)	1,501,300	545,861
Reserves & Balances (note 3)		
• Direct Revenue Financing	2,624,900	2,222,432
Contributions from other bodies incl S106 (note 4)	1,050,300	253,082
Borrowing Requirement (In Year)	19,954,100	14,647,322
Total Financing	28,425,600	20,954,586

Notes:

1. There were no usable capital receipts carried forward from 2020/21. Capital receipts generated during the year amount to £82,940 compared to the revised estimate figure of £0, an increase of £82,940.

The total sum available has been used to fund the Capital Programme in 2021/22, with the balance of funding required (£14,647,322) being financed from a borrowing requirement that is significantly lower than anticipated.

In accordance with Capital Finance Regulations, costs associated with asset disposal totalling £3,080 that are included in the revenue outturn, can be funded from the capital receipt generated.

2. Any balance of funding from capital grants has been carried forward into 2022/23 to allow the schemes to complete.
3. The use of capital receipts has been optimised in order to fund 2021/22 capital expenditure. Direct revenue funding, S106 receipts and earmarked reserves and provisions specifically set up to fund capital expenditure have also been used to fund capital expenditure in 2021/22. Capital receipts are the last source of funding applied to finance the capital programme; external funding is always applied first.

4. Additional contributions were received towards DFGs, Play Areas, Sands Centre Development, Civic Centre Development and Footway Lighting Melbourne Park.

5. Five Year Capital Programme

- 5.1 A five-year Capital Programme for 2022/23 to 2026/27 is detailed in **Appendices B1-B2**.
- 5.2 The programme for 2022/23 totalling £45,447,400 (subject to approval) is based upon the programme as agreed by Council in February 2022 of £36,074,100, the commitments brought forward from 2021/22 as identified above of £7,106,700, the commitments brought forward from 2021/22 already approved of £4,295,300, an increase of £255,800 for additional Disabled Facilities Grant award which has recently been advised and totals £2,155,574, and the following additional adjustments:
 - Executive are asked to make recommendation to Council for the reprofiling of £2,284,500 for Future High Street Projects due to revised grant payment profiles provided.
- 5.3 The 2022/23 programme will be continually reviewed to ensure the Council has the capacity to deliver this level of programme.
- 5.4 It is suggested that the revised programme for 2022/23 as detailed in Appendix B1 is financed as follows:

	<u>Original Budget</u> £	<u>Revised Budget</u> £
Original Programme	36,074,100	36,074,100
Add: Carried forward from 2021/22 (in Year)	0	4,295,300
Add: Carried forward from 2021/22 (Year End)	0	7,106,700
Add: Other adjustments to programme	0	(2,028,700)
Total Expenditure to be financed	36,074,100	45,447,400
<u>Financed by:</u>		
Capital Grants		
• DFG	1,899,800	2,155,600
• Sustainable Warmth	17,745,000	19,955,000
• Future High Street Fund	3,363,200	2,780,200
• General	66,000	933,700
Capital Receipts	285,500	285,500
Receipts used to fund resources	(112,000)	(112,000)
Contributions from other bodies	0	828,300
Direct Revenue Financing	1,962,400	2,365,000
Borrowing Requirement (In Year)	10,864,200	16,256,100
Total Financing	36,074,100	45,447,400

5.5 The proposed programme for **2023/24** to **2026/27** as detailed in Appendix B2 is based on the programme agreed by Council in February 2022, the increased Disabled Facilities grant (projected to be recurring) and the proposed reprofiled Future High Street Fund projects.

6. Risks

6.1 Individual capital schemes have different risks involved. A risk assessment of the overall capital programme is included at **Appendix C**. An additional risk to the Council is the overall cost of COVID-19 in terms of increased costs and delays to supplies.

7. Consultation

7.1 Consultation to date.

Portfolio Holders and SMT have considered the issues raised in this report.

7.2 Consultation Proposed

People Panel will consider the report on 9 June 2022.

8. Conclusion and reasons for recommendations

8.1 The Executive is asked to:

- (i) Note the net underspend as at 31 March 2022 of £364,314 which includes committed expenditure to be met totalling £7,106,700, which is

recommended by the Corporate Director of Finance and Resources for approval to Council;

- (ii) Consider the revised programme for 2022/23, together with the proposed methods of financing and virement request, as detailed at paragraph 5 and Appendix B, for recommendation to Council.

9. Contribution to the Carlisle Plan Priorities

9.1 The Council's capital programme supports the current priorities in the Carlisle Plan.

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Appendices attached to report:

- A1 to A6 and B1 to B2 and C

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal - The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is required for the use of capital reserves to fund expenditure commitments as set out in the report.

Property Services - Property asset implications are contained within the main body of the report.

Finance - Financial implications are contained within the main body of the report.

Equality - This report raises no explicit issues relating to the public sector Equality Duty.

Information Governance - There are no information governance implications.

COMMUNITY SERVICES

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
Vehicles & Plant	447,000	80,274	(366,726)	366,700	(26)	Slippage of planned vehicle replacements from 2021/22 into 2022/23. A revised replacement plan for the next 5-10 years has been provided as part of the 2022/23 budget process.
Cemetery Infrastructure	5,700	0	(5,700)	5,700	0	For further improvements to Fairy Beck due to be carried out in 2022/23.
Civic Centre Development	2,098,300	2,259,587	161,287	0	161,287	Overspend on the project due to increase consultant fees and equipment costs.
Play Area Developments	422,100	215,728	(206,372)	205,500	(872)	Slippage of projects from 2021/22. Funding provided from S106 monies.
Towns Deal - Bitts Park Improvements	168,100	168,222	122	0	122	Project complete.
Skew Bridge Deck	76,100	76,110	10	0	10	Project complete.
Swifts Wildlife Haven	71,100	71,099	(1)	0	(1)	Project complete.
Bitts Park Public Realm	10,000	0	(10,000)	10,000	0	Slippage from 2021/22 into 2022/23 of externally funded project to undertake public realm improvement works at Bitts Park.
Sands Centre Redevelopment	16,925,100	13,684,171	(3,240,929)	3,240,900	(29)	Capital expenditure for the enhancement work to Leisure Facilities. Progress is being monitored and a revised expenditure profile has been implemented to take account of delays as a result of Covid-19 restrictions.
Recycling Containers	141,400	167,684	26,284	0	26,284	Purchase of waste receptacles are overspent against the annual budget.
Grand Total	20,364,900	16,722,875	(3,642,025)	3,828,800	186,775	

CORPORATE SUPPORT

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
ICT Infrastructure	439,600	409,978	(29,622)	29,600	(22)	Part of ICT Strategy Business Case. Implementation has been delayed.
Grand Total	439,600	409,978	(29,622)	29,600	(22)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2021/22

APPENDIX A3

ECONOMIC DEVELOPMENT

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
Carlisle Citadels	934,700	925,922	(8,778)	0	(8,778)	Project complete.
Towns Deal - Caldew Riverside Remediation	842,500	195,932	(646,568)	646,600	32	Funding received from the Town Deal Capital Accelerated Fund and presented and approved by Executive 14/12/2020. Slippage from 2021/22 into 2022/23.
Planning Software	150,000	0	(150,000)	150,000	0	Project yet to start.
Future High Street Fund - 6-24 Castle Street	127,700	16,950	(110,750)	110,700	(50)	Slippage from 2021/22 into 2022/23 in line with revised approved Memorandum of Understanding.
Future High Street Fund - Central Plaza	80,000	42,531	(37,469)	37,500	31	
Future High Street Fund - Market Square	80,000	0	(80,000)	80,000	0	
Future High Street Fund - Devonshire Street	40,000	0	(40,000)	40,000	0	
Future High Street Fund - Delivery Costs	89,000	65,046	(23,954)	24,000	46	
Affordable Homes	600,800	0	(600,800)	600,800	0	Use of Affordable Homes Commuted Sums to bring empty properties back into use approved by Executive 02/08/2021 (ED25/21). Slippage from 2021/22 into 2022/23.
Grand Total	2,944,700	1,246,381	(1,698,319)	1,689,600	(8,719)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2021/22

APPENDIX A4

FINANCE AND RESOURCES

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
Financials Upgrade	80,900	37,444	(43,456)	43,500	44	Increase to capital programme to cover necessary improvements to the Financials System, fully funded from existing budgets. Slippage from 2021/22 into 2022/23.
Grand Total	80,900	37,444	(43,456)	43,500	44	

GOVERNANCE & REGULATORY SERVICES

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
Planned Enhancements to Council Property	378,800	251,085	(127,715)	127,700	(15)	Some slippage of planned projects into 2022/23.
Rough Sleeping Initiative	10,000	5,215	(4,785)	4,800	15	Capital grant received from DLUHC for the development of the Rough Sleeping Initiative. Slippage into 2022/23.
Gateway 44	896,200	63,617	(832,583)	300,000	(532,583)	Development and Improvement costs associated with the Junction 44 retail development. Slippage into 2022/23 for additional work require to reconfigure remaining units.
Disabled Facilities Grants	2,600,200	1,991,777	(608,423)	608,400	(23)	Mandatory Grants. Carry forward required into 2022/23.
Empty Property Grants	112,400	30,095	(82,305)	82,300	(5)	Discretionary grants to assist getting empty properties back into use. Carry forward required into 2022/23.
On Street Charging Infrastructure	102,800	102,227	(573)	0	(573)	Project complete.
LED Footway Lighting Installation	29,700	20,527	(9,173)	0	(9,173)	Project complete.
Footway Lighting Melbourne Park	22,200	22,175	(25)	0	(25)	Project complete.
Energy Monitoring System	12,000	0	(12,000)	12,000	0	To provide an Energy Management System to be installed to monitor energy usage across Council owned property. Slippage into 2022/23.
Asset Demolition	44,000	44,026	26	0	26	Project complete.
Grand Total	4,208,300	2,530,744	(1,677,556)	1,135,200	(542,356)	

PROVISIONAL GENERAL FUND CAPITAL OUTTURN 2021/22

APPENDIX A6

EXCEPTIONAL ITEMS CAPITAL EXPENDITURE

Scheme	Revised Annual Budget £	Expenditure to date £	Variance to date £	Carry Forwards £	Adjusted Variance £	Details of major variance
IC Buildings Flood Capital	7,200	7,164	(36)	0	(36)	Project complete.
Grand Total	7,200	7,164	(36)	0	(36)	

2022/23 CAPITAL PROGRAMME

APPENDIX B1

Scheme	Original Capital Programme 2022/23 £	Carry Forwards from 2021/22 £	Carry Forwards from 2021/22 £	Other Adjustments £	Revised Capital Programme 2022/23 £
<u>Current non-recurring commitments</u>					
Sands Centre Redevelopment	3,450,200	0	3,240,900	0	6,691,100
Energy Monitoring System	0	0	12,000	0	12,000
Future High Street Fund - Market Square	1,011,800	377,300	80,000	(390,000)	1,079,100
Future High Street Fund - 6-24 Castle Street	510,700	42,600	110,700	(170,200)	493,800
Future High Street Fund - Central Plaza	1,787,300	632,400	37,500	(1,669,700)	787,500
Future High Street Fund - Devonshire Street	220,900	33,600	40,000	(54,500)	240,000
Future High Street Fund - Delivery Costs	122,500	33,400	24,000	(100)	179,800
Cemetery Infrastructure	0	0	5,700	0	5,700
Carlisle Southern Link Road	5,000,000	0	0	0	5,000,000
Planning Software	0	0	150,000	0	150,000
Play Area Improvements	250,000	0	205,500	0	455,500
Sands Car Park Resurfacing	210,000	0	0	0	210,000
Swifts Car Park Resurfacing	200,000	0	0	0	200,000
Towns Deal - Caldew Riverside	0	0	646,600	0	646,600
Gateway 44	0	0	300,000	0	300,000
Rough Sleeping Initiative	0	0	4,800	0	4,800
Bitts Park Public Realm	0	32,000	10,000	0	42,000
Financials Upgrade	0	0	43,500	0	43,500
Affordable Homes	0	0	600,800	0	600,800
Sustainable Warmth Competition	17,745,000	2,210,000	0	0	19,955,000
	30,508,400	3,361,300	5,512,000	(2,284,500)	37,097,200
<u>Recurring commitments</u>					
Planned Enhancements to Council Property	250,000	80,000	127,700	0	457,700
Vehicles, Plant & Equipment	1,185,500	0	366,700	0	1,552,200
Recycling Containers	45,000	0	0	0	45,000
ICT Infrastructure	410,400	54,000	29,600	0	494,000
	1,890,900	134,000	524,000	0	2,548,900
<u>Disabled Facilities Grants</u>					
Private Sector Grants	1,899,800	800,000	608,400	255,800	3,564,000
Empty Property Grants	0	0	82,300	0	82,300
	1,899,800	800,000	690,700	255,800	3,646,300
TOTAL	34,299,100	4,295,300	6,726,700	(2,028,700)	43,292,400
<u>Capital Reserves to be released</u>					
Crematorium Infrastructure	1,775,000	0	350,000	0	2,125,000
Cemetery Infrastructure	0	0	30,000	0	30,000
	1,775,000	0	380,000	0	2,155,000
REVISED TOTAL	36,074,100	4,295,300	7,106,700	(2,028,700)	45,447,400

2023/24 to 2026/27 PROPOSED CAPITAL PROGRAMME**APPENDIX B2**

Scheme	Proposed Capital Programme 2023/24 £	Original Capital Programme 2024/25 £	Original Capital Programme 2025/26 £	Original Capital Programme 2026/27 £
Private Sector Grants	2,155,600	2,155,600	2,155,600	2,155,600
Planned Enhancements to Council Property	250,000	250,000	250,000	250,000
Vehicles, Plant & Equipment	2,131,500	1,139,000	1,166,000	1,213,000
ICT Infrastructure	0	75,700	101,400	101,400
Recycling Containers	45,000	45,000	45,000	45,000
Sands Centre Redevelopment	0	0	0	0
Carlisle Southern Link Road	0	0	0	0
Crematorium Infrastructure	875,000	0	0	0
Replacement of Flare Data Management System	0	0	0	0
Future High Street Fund - Market Square	1,692,700	0	0	0
Future High Street Fund - 6-24 Castle Street	624,200	0	0	0
Future High Street Fund - Central Plaza	3,919,600	0	0	0
Future High Street Fund - Devonshire Street	250,900	0	0	0
Future High Street Fund - Delivery Costs	122,500	0	0	0
TOTAL	12,067,000	3,665,300	3,718,000	3,765,000

Capital Programme – Risk Assessment

APPENDIX C

Risk	Likelihood	Impact	Mitigation
Capital projects are approved without a full appraisal of the project and associated business case.	Remote	High	Strengthen the role of Transformation Sub-Group when considering capital project appraisals, to include consideration of business cases
Full capital and revenue costs of a project not identified.	Remote	High	Capital spending must meet statutory definitions. Financial Services to regularly review spending charged to capital. Appraisals to identify revenue costs, including whole life costs to improve financial planning.
VAT partial exemption rules are not considered.	Remote	High	Reduced impact following the decision to elect to tax land and property. To be considered as part of Project Appraisals and assessed by Financial Services.
Capital projects are not monitored nor reviewed (post contract) to ensure that the original business case assumptions have been achieved	Reasonably probable	Marginal	Better project management skills (including contract monitoring) have been introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects, including post contract reviews.
Capital projects are not delivered to time and/or are delayed due to the impact of COVID-19/Brexit on the supply of contractors and materials	Reasonably Probable	High	Significant slippage in the current capital programme. Better project management skills to be introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects. The review of the capital programme currently underway will address some of these issues.
Capital projects are not delivered to budget. Major variations in spending impact on the resources of the Council. Delays and increased costs due to COVID-19/significant inflationary increases	Reasonably Probable	High	Improved capital programme monitoring through PRINCE 2 and monthly financial monitoring. Corrective action to be put in place where necessary.
Assumptions on external funding for capital projects are unrealistic	Remote	High	Potential shortfalls arising from changes to external funding have to be met from other Council resources, so assumptions need to be backed by firm offers of funding before projects are submitted for appraisal. Risk increased due to uncertainty around funding, e.g. Government grants
Spending subject to specific grant approvals e.g. housing improvement grants, disabled persons adaptations varies from budget	Remote	Marginal	Specific grants are generally cash limited so variations in projects supported by funding of this nature will be monitored closely to ensure target spend is achieved to avoid loss of grant or restrictions on subsequent years grant funding.
Shortfall in level of capital resources generated from Capital Receipts	Probable	High	Economic downturn will impact - early warning so as not to over commit capital resources.