

AGENDA

Meeting: CABINET CAPITAL ASSETS COMMITTEE

Place: Council Chamber - Council Offices, Monkton Park, Chippenham, SN15 1ER

Date: Tuesday 6 November 2012

Time: 1.30 pm or on the rising of Cabinet, whichever is the later

Please direct any enquiries on this Agenda to James Hazlewood, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01722 434250 or email james.hazlewood@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

Membership:

Cllr Jane Scott OBE	Leader of the Council
Cllr John Noeken	Cabinet Member for Resources
Cllr Fleur de Rhé-Philippe	Cabinet Member for Economic Development and Strategic Planning
Cllr Toby Sturgis	Cabinet Member for Waste, Property, Environment and Development Control Services
Cllr John Thomson	Deputy Leader and Cabinet Member for Adult Care, Communities and Housing


Substitutes:

Cllr John Brady	Cabinet Member for Finance Performance and Risk
Cllr Lionel Grundy OBE	Cabinet Member for Children's Services
Cllr Keith Humphries	Cabinet Member for Public Health and Protection Services
Cllr Dick Tonge	Cabinet Member for Highways and Transport
Cllr Stuart Wheeler	Cabinet Member for Transformation, Culture, Leisure and Libraries

AGENDA

Part I

Items to be considered while the meeting is open to the public

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

1 **Apologies and Substitutions**

2 **Minutes of the previous meeting** (*Pages 1 - 4*)

To confirm and sign as a correct record the minutes of the Cabinet (Capital Assets) Committee meeting held on 10 September 2012.

3 **Leader's Announcements**

4 **Declarations of interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

5 **Capital Monitoring - month 6** (*Pages 5 - 22*)

To consider the attached report of the Chief Financial Officer.

6 **Devizes Browfort Options** (*Pages 23 - 28*)

To consider the attached report of the Corporate Director.

7 **Urgent items**

Any other items of business that the Leader agrees to consider as a matter of urgency.


The items on this agenda reflect the key goals of Wiltshire Council, namely 'Work together to support Wiltshire's Communities', 'Deliver high quality, low cost, customer focused services and 'Ensure local, open, honest decision making'.

CABINET CAPITAL ASSETS COMMITTEE

MINUTES of a MEETING held in COUNCIL CHAMBER - COUNCIL OFFICES,
MONKTON PARK, CHIPPENHAM, SN15 1ER on Monday, 10 September 2012.

Cllr Jane Scott OBE	Leader of the Council
Cllr John Noeken	Cabinet Member for Resources
Cllr Fleur de Rhe-Philipe	Cabinet Member for Economic Development and Strategic Planning
Cllr Toby Sturgis	Cabinet Member for Waste, Property, Environment and Development Control Services
Cllr John Thomson	Deputy Leader and Cabinet Member for Adult Care, Communities and Housing

Also in Attendance:	Cllr John Brady
	Cllr Lionel Grundy OBE
	Cllr Dick Tonge
	Cllr Stuart Wheeler
	Cllr Alan MacRae

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

45 **Apologies**

None.

46 **Minutes of the previous meeting**

Resolved:

To approve as a correct record and sign the minutes of the meeting held on 24 May 2012.

47 **Leader's Announcements**

None.

48 **Declarations of interest**

There were no declarations of interest.

49 **Capital Monitoring Report 2012/13 month 4**

The Chief Financial Officer introduced the report which reflected the position of the 2012/2013 Capital Programme as at 31 July 2012.

The report also detailed changes to the budget made since the previous monitoring reports.

The Leader requested a briefing note for Councillors on the position of Academies negotiating any capital loans in the future, and what the Council's role might be.

Resolved

That the Cabinet (Capital Assets) Committee:

- a. Notes the budget movements undertaken to the capital programme in Appendix A, including reprogramming of expenditure into 2013/2014.**
- b. Notes total budget increases of £3.203 million as shown in Appendix B.**
- c. Notes the current spend against the budget to date in Appendix A.**

Reasons for Decision

To inform Cabinet of the current position of the 2012/2013 capital programme and highlight changes and note budget reprogramming into 2013/2014.

50 **Salisbury Market Place**

Prior to discussing the report, the Committee received a presentation on a new Spatial Awareness and Mapping System (SAMS), a resource which had been developed to allow officers and Councillors to view different sets of spatial information overlaid on a GIS map. This currently included Spatial Planning data including the core strategy, building use class, listed buildings, flood zones, Highways, Rights of Way, utilities, planning applications and much more. The system will also be linked with the new county-wide planning and regulatory services system provided by Northgate, which will provide dynamic spatial data to the SAMS system.

The system could also be developed to include other types of data, and this could be rolled out across the Council, with the "front end" being adapted to meet the needs of various users, by showing the relevant data sets. The Cabinet welcomed this new system and noted that two Cabinet members would trial the system before rolling out to Councillors.

The Cabinet Member for Economic Development and Strategic Planning introduced the report which outlined the case for investment in the Salisbury

Market Place Public Realm Improvement Project, and asked the Committee to consider proposals following the approval of the concept plans by the Salisbury Community Area Board on 1 August 2012.

The Cabinet (Capital Assets) Committee welcomed the plans and thanked the Area Board and officers for developing the proposals to this stage. It was noted that a meeting was planned for Thursday 12 September to agree the phasing of works, in order to avoid disruption to the market over Christmas and the Easter break.

Resolved

That Cabinet (Capital Assets) Committee:

- 1. approves delivery of the Market Place Public Realm Improvement Project within the £3 million budget discussed via the current Transformation Programme allocation already within the Capital Programme to undertake the scheme and**
- 2. agrees to delegate authority to the Service Director of Economy and Regeneration and the Service Director of Highways and Transport in agreement with the Chief Finance Officer and in consultation with the Chair of the Community Area Board to commission and deliver the project.**

Reasons for Decision

To deliver the transformation of the Market Place into a more attractive, vibrant, high quality public space of which the city can be proud, and reflect its important public function and historic setting.

51 Urgent items

None.

(Duration of meeting: 2.00 - 2.40 pm)

These decisions were published on the 12 September 2012 and will come into force on 20 September 2012

The Officer who has produced these minutes is James Hazlewood, of Democratic Services, direct line 01722 434250 or e-mail james.hazlewood@wiltshire.gov.uk
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Wiltshire Council

Cabinet Capital Asset Committee

6 November 2012

Subject: Capital Monitoring Month 6 Report 2012/2013

**Cabinet member: Councillor John Brady
Finance, Performance and Risk**

Key Decision: No

Executive Summary

The report reflects the position of the 2012/2013 Capital Programme as at 30 September 2012.

The report also details changes to the budget made since the previous monitoring reports, which are to be noted by Cabinet.

Proposal

- a. Note the budget movements undertaken to the capital programme in Appendix A, including reprogramming of expenditure of £20.590 million into 2013/2014.
- b. Note total budget increases of £0.795 million as shown in Appendix B.
- c. Note the current spend against the budget to date in Appendix A.

Reasons for Proposals

To inform Cabinet of the current position of the 2012/2013 capital programme and highlight changes and note budget reprogramming into 2013/2014.

Michael Hudson Service Director Finance

Wiltshire Council

Cabinet Capital Asset Committee

6 November 2012

Subject: Capital Monitoring Month 6 Report 2012/2013

**Cabinet member: Councillor John Brady
Finance, Performance and Risk**

Key Decision: No

Purpose of Report

1. To update Cabinet on the position of the 2012/2013 Capital Programme as at 30 September 2012, note budget changes and note reprogramming of expenditure into 2013/2014.

Budget movements

2. The revised budget for month 4 was presented to the Cabinet Capital Assets committee (CCAC) at the meeting on 10 September 2012. Movements since this date are detailed in the table below. A fuller breakdown of the changes made at a scheme by scheme level is attached as Appendix A.

Breakdown of Budget amendments from Month 4 to Month 6 Budget

	£m	Notes
Month 4 Capital programme budget (reported to CCAC 10 September 2012)	128.234	
Additions/amendments to the capital programme 2012/2013 since Month 4 budget monitoring		
Campus (CAOD) Adjustment following CCAC 10 September 2012	2.000	See appendix A for further details
Month 6 additional budgets added to the programme	0.795	See appendix A and B for further details
Budgets reprogrammed into 2013/2014	(20.590)	See appendix A and B for further details
Current Capital budget Month 6 2012/2013	110.439	

3. The movement for CAOD included above reflects the reversal of the £2 million underspend declared for Campuses, which is to be reallocated as part of the transformation programme to deliver the Salisbury Vision Market Place scheme.
4. The month 6 budget additions shown above largely reflect increases in funding being available and brought into the programme under the Chief Financial Officer delegated authority. They largely comprise additional Section 106 deposits being used to finance capital spend or additional grants being received to be used within the capital programme, plus any revenue contributions made. Further information at a scheme by scheme level is included in appendix B.
5. The budgets that have been reprogrammed into 2013/2014 are shown in further detail in appendix A and B and are also shown in the narrative for schemes below.

Summary of Current Position as at 30 September 2012

6. The current budget for the year 2012/2013 is £110.439 million. As at 30 September 2012 the actual spend plus the commitments raised to date was £41.962 million (38% spend compared to current budget). A full breakdown of these figures is attached in Appendix A.
7. Further information on the current progress of some of the schemes being undertaken is set out below.

Education schemes

8. The Sarum Academy scheme is still progressing well and the expected handover date in July 2013 remains. The cashflows have been reviewed and it is now expected that more of the project will be completed during 2013/2014 rather than 2012/2013. To reflect this reprogramming of £1.000 million into 2013/2014 has taken place in this report.
9. Additional Accommodation schemes comprise a number of individual extension schemes to ensure schools can provide enough places for pupils. Budget has been allocated so far to 26 individual projects including major works expected this year at Downton Trafalgar, Paxcroft Primary and Tidworth Clarendon. A total of £3.607 million has been reprogrammed into 2013/2014 in this report to match the expected spending profile across the programme. This includes £1.707 million for works at Pembroke Park, £0.500 million for Bradford-On-Avon Fitzmaurice and a further £0.500 million for Downton Trafalgar. Additional schemes in the pipeline are being agreed in this area at schools with accommodation shortfalls, and budget will be allocated shortly.
10. New Deals for Schools (NDS) schemes are many individual projects across the schools in the county to fund high priority condition works such as roof replacements, rewiring and window replacements. They are split across two ranges; maintenance and modernisation projects. Large high value schemes progressing and due to complete this year include works at Sambourne and Warminster St Johns. Further major projects are also due to begin at Longford and Figheldean Schools. A total of £2.942 million has been reprogrammed in this report into 2013/2014 to match the expected progress of these schemes, with £1.592 reprogrammed for Figheldean and £0.350 million for Longford respectively.
11. DCSF Targeted Capital 14-19 SEN schemes. The majority of this budget relates to a large extension and refurbishment of Exeter House Special School; works are now complete and the final account due to be determined. Other schemes in this area include major works at Devizes School and Wiltshire College.

12. Other Projects New Schools. Planning work has already commenced on several new primary schools due to open in September 2014 including new schools in East Trowbridge and Tidworth. As the construction work at these new schools is not expected to begin until 2013/2014, reprogramming of £3.581 million has been included in this report.
13. Other Schools Projects – Expansions and replacements. These schemes are to provide expanded capacity at schools by provision of new classrooms and blocks etc. A number of these schemes completed works in 2011/2012 with only retention payments outstanding. Major refurbishment work is currently underway at Devizes School with work due to complete in 2012/2013. Reprogramming of £0.330 million into 2013/2014 has been actioned in this report for the future acquisition of a playing field at East Melksham.

Highways schemes

14. Highways schemes are currently on budget with no expected variation against the budget of £19.727 million. Project budgets have been allocated into the numerous individual schemes within these budget headings. Schemes under way in this area include a number of major local transport improvement cycle schemes within the integrated transport area, along with the major surface dressing, micro asphaltting and bridges and junction repairs within the Structural Maintenance and Bridges areas. Around £0.800 million has been set aside to fund area board approved schemes across the 18 area boards in Wiltshire as well as other Community Area Transport Group (CATG) Schemes.

Campus and Operational Delivery (CAOD) schemes

15. The County Hall remodelling phase 1 scheme is complete with staff having moved into the new building and the library being opened. Final payments to settle this account will need to be arranged but work is now moving to phase 2, the old County Hall building. The position on old County Hall will be reviewed for possible reprogramming as part of the Month 8 monitoring report. The remaining work on Monkton Park offices has been reviewed and £1.000 million has been reprogrammed in this report to reflect the movement of some of the work.
16. The remaining schemes within the Operational estate programme have been reviewed and it is currently anticipated that only £1.100 million of the remaining budget in this work stream will be needed in 2012/2013. To reflect this £0.336 million has been reprogrammed into 2013/2014 to complete the remainder of the programme.
17. As per the previous monitoring report, a revised business case for the Depots Facilities Strategy will be presented to the Capital Assets Committee before work is committed; therefore the majority of the

planned budget has already been moved into 2013/2014. An additional £0.110 million has been reprogrammed to reflect that the business cases will not be presented until the result of the retendering of the highways and waste contracts is confirmed.

18. The development of the Campus schemes was covered in detail on the previous monitoring report and reprogramming to 2013/2014 was undertaken. The second tranche of schemes were discussed and approved in Cabinet (23 October 2012). An update on the progress of the first tranche and implications arising from the second tranche will be undertaken as part of the Month 8 report.
19. As agreed in CCAC (10 September 2012), the Salisbury Vision Market Place scheme has been brought into the CAOD programme. The initial funding split is £2.310 million in 2012/2013 with an additional £0.690 million in 2013/2014. A review of this split will be undertaken in time for the Month 8 monitoring report. Depending on the planned start dates to undertake this scheme it is currently assumed that some reprogramming of budget into 2013/2014 will be required.

Other Property Schemes

20. The Other Property schemes are the planned maintenance works at properties across the council's portfolio (outside of the Campus and operational delivery schemes). Projects underway in this area include new boilers and building maintenance upgrades in leisure centres and schools in addition to the council offices. It is currently expected that the budget allocated in this area will be fully spent by outturn. Major projects underway in 2012/2013 include mechanical plant upgrades and roofing works at Larkrise Special School and a heating system and gas conversion project at Bellfield Primary School.

Housing schemes

21. Disabled Facilities Grants are statutory small grant payments paid to individual households to enable improvements such as ramps, kitchen and bathroom adaptations amongst other improvements to enable people to remain in their home. A review of the current spending plans for 2012/2013 has highlighted reprogramming of £1.000 million into 2013/2014.
22. Corporate Other Housing Grants. The affordable housing schemes in this area are dependent on future papers being brought to Cabinet Capital Assets Committee in the near future, it is not anticipated that payments against this budget will be required during 2012/2013 therefore £0.500 million has been reprogrammed into 2013/2014 to match the planned spending once schemes are approved. The Gypsies and Travellers schemes are well underway, the option to buy land at

Thingley was taken up and it is expected that the £0.250 million budget for this scheme will be fully spent during 2012/2013 with the majority of the main scheme to be delivered during 2013/2014.

23. Housing Revenue Account. Capital budgets for this area have increased as a result of HRA Self Financing, which generated a substantial increase in the resources available to spend on improving the Council houses currently owned by the council. A paper is being taken to a future Cabinet requesting sign off for new HRA contracts to enable this major investment to begin. As the majority of this improved work is not anticipated to commence until 2013/2014, a total of £4.124 million has been reprogrammed into 2013/2014 to meet the planned expenditure. Schemes which are due for completion in 2012/2013 include replacing the housing vehicles with much larger and more convenient vans (£0.350 million), renewing the HRA ICT system (£0.500 million) as well as disabled adaptations (£0.516 million). £4.100 million is earmarked for the remaining kitchens, bathrooms and any other major works to properties under the existing contracts for planned maintenance. The revised final budget of £5.467 million is planned to be fully spent in 2012/2013.

Other schemes

24. Revenue & Benefits IT system. The software for this scheme has been largely bought and installed and the system is operational, a further module is needed to deal with Council tax reduction, which amounts to £0.075 million. Further mobile devices are being purchased to enable the service to be delivered more effectively, which are currently planned to be purchased during 2012/2013. In addition to this a further £0.025 million will be needed for system amendments due to the welfare reform changes also due in 2012/2013. These items are the final amounts required to complete the installation which represents around £0.050 million under spend on the approved budget. This will be confirmed and the final figure taken back to centre as part of the Month 8 budget monitoring.
25. Planning IT System is on course for delivery and is planned to be fully operational by the end of March 2013. So far £0.362 million has been spent against the budget of £0.866 million. The remaining is committed to the project or is anticipated to be spent on a requirement for additional licences for increased numbers of staff during 2012/2013.
26. Adult Social Care Strategy – Older People, LD & Mental Health. The majority of this budget has now been allocated to fund extra care housing schemes and the sheltered housing review. In 2012/2013, £0.300 million has been allocated as funding towards the provision of a 45 unit extra care scheme in Royal Wootton Bassett comprising 39 two bed and 6 one bed apartments and associated communal facilities. The £5.8m development will be funded through sales revenue, a substantial

contribution by Housing 21, HCA grant and Wiltshire Council. Another scheme in 2012/2013 has been allocated funding of £0.300 million for 50 – 55 beds on the Burnham House site in Malmesbury. These schemes are in line with the Council's adopted accommodation strategy for older people. Further Extra Care developments are expected including sites at Corsham and Amesbury in 2013/2014, so reprogramming of £0.890 million into 2013/2014 has taken place to match the phasing of these schemes.

27. Area Boards grants are the funds allocated to the Area Boards to support small local schemes such as Campsite and activity centres, sports facilities for South Wiltshire sports club, BMX tracks and Road Safety schemes in Malmesbury and Chippenham, various projects covering Bradford On Avon as well as other community activities. The budget has been allocated to schemes following approval by the Area Boards. The total actual spend for 2012/2013 at the end of month 6 was £0.241 million, in addition to this further budgets of £0.301 million have been allocated to schemes which is all anticipated to be spent during the year 2012/2013. There is also another additional amount of £0.173 million which is unallocated to budgets at present. Depending on whether the Area boards allocate this money to Capital projects schemes will determine whether or not this budget will be fully spent during 2012/2013. This will be reviewed over the coming months and any reprogramming needed in 2013/2014 will be actioned in later monitoring reports.
28. Rural Estates. Reprogramming of £0.500 million into 2013/2014 has taken place in this report. Since the allocation of this funding for Nitrate Vulnerable Zone requirement works, negotiations have taken longer than originally anticipated with tenants over what is required. The circumstances of one tenant have changed considerably which has resulted in the re-appraisal of the requirements on this one farm. The full impact of this is not yet fully understood but it may result in the release of some of the money allocated back into the capital programme. Once this is fully understood an update of the requirements moving forward will be provided. Other delays have been due to unforeseen requirements from the Environment Agency.
29. The Digital Inclusion project invests in Wiltshire's infrastructure by providing superfast broadband to at least 85%, possibly up to 95% of the county for the benefit of communities and businesses. Provider bids have been out to tender and received with the awarding group due to meet in October. A total budget of £20.660 million over the lifetime of the project has been agreed with the budget of £1.370 million allocated for the first year 2012/2013. Upon the award of the contract and selection of a provider the profile of spend can be refined further.
30. ICT Schemes. The budget allocated in 2012/2013 was in addition to the amounts being delivered as part of the CAOD ICT programme. These sums were earmarked purchase of ICT hardware including introducing

Cloud technology. The full 2012/2013 budget of £0.670 million has been reprogrammed in this report into 2013/2014 which is in line with the revenue budget savings proposals to remove revenue funding and replace with capital funds.

Funding of Capital Programme

31. The capital programme is funded by 3 principal sources; grants and contributions, capital receipts and borrowing.
32. Grants and contributions fund the largest proportion of the programme, it is expected that around £50.000 million of grants and contributions will be available either received in 2012/2013 or received in previous years and held over to fund expenditure in 2012/2013. This reduction compared to the £60.000 million previously reported is due to reprogramming of expenditure into later years. Some smaller grants and contributions are often not announced in advance of the year and so are added to the programme through the monitoring reports under the Director of Finance delegated authority.
33. Capital receipts received from the proceeds of asset sales are managed and monitored closely by the Strategic Property team in conjunction with Finance. As reported in the last monitoring report the Council received income of around £3.700 million for the disposal of the Sarum centre in Salisbury, along with 3 other office sales in Salisbury and sums of land at Broomcroft road in Pewsey, amongst a number of other receipts, including for the sale of Council houses under the right to buy scheme.
34. Since the last monitoring report the Council has received an additional £0.200 million for the sale of St Bartholomew's caretaker's bungalow in Wootton Bassett, which as at the end of September 2012 has increased the total of Capital receipts income to £3.900 million. The target for the year is £10.000 million and the Council is on course for achieving (and hopefully exceeding) this target. Planned future sales include the Order of St John care home (Coombe End Court) in Marlborough, the Mansion house and Library in Corsham, the sale of former Pembroke Park School in Salisbury and a number of office sales such as Bedwin Street in Salisbury and Wootton Bassett depot. In addition there are a number of farm sales due such as Buryhill farm in Braydon and Oxhouse farm in Rowde, plus a number of other smaller receipts due before the end of 2012/2013.
35. If the planned receipts above do not materialise in 2012/2013 they will come through during 2013/2014 instead so there is no loss to the programme. Often it will be better to wait for a higher receipt and there are sometimes difficulties in the sale market which can also delay receipts.

36. Borrowing is the final source of funding for the capital programme. The revenue costs involved in borrowing on repaying the principal and the interest charges amount to approximately 10% of the amount of borrowing undertaken. The optimal mix of using receipts, grants and other sources to fund schemes is undertaken before borrowing is considered to minimise the revenue costs of borrowing.

Proposals

37. To note the general budget additions for grants and revenue contributions of £0.795 million per Appendix B and note the Month 4 position of the Capital Programme in Appendix A. Also note the reprogramming of £20.590 million between 2012/2013 and 2013/2014.

Environmental Impact of the Proposal

38. Wiltshire Council is preparing for its mandatory inclusion in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It is calculated that 79% of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint. The budget setting process for 2011/2012 assessed the perceived impact of schemes on the Council's carbon footprint and built this into the mechanism for setting the 2012/2013 budget.

Equality and Diversity Impact of the Proposal

39. No equality and diversity issues have been identified arising from this report

Risk Assessment

40. The capital budget for 2012/2013, as detailed in this report, has been revised to approximately £110.000 million. Within this programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the monthly reporting process. Members may wish to bear in mind that the capital programme has been set for three years and therefore risks will be appraised over the whole period.

Financial Implications

41. These have been examined and are implicit throughout the report

Legal Implications

42. None have been identified as arising directly from this report.

Michael Hudson

Service Director Finance

Report Author: Stephen MacDonald, Principal Accountant (Capital).

Unpublished documents relied upon in the preparation of this report: NONE

Environmental impact of the recommendations contained in this report: NONE

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Capital Programme budget movements and spend to 30th September 2012/2013

Scheme name	2012/2013 Budget Breakdown						
	Month 4 Budget 2012/2013	CAOD adjustment agreed in Month 4 CCAC	Month 6 Budget Movements Between Schemes	Additional Budget see appendix B	Reprogrammed Budget Between 2012/2013 & 2013/2014	Current Budget 2012/2013	Total Spend (Actual + Commitments) as at Month 6
	£m	£m	£m	£m	£m	£m	£m
Education schemes							
Sarum Academy Salisbury	10.419				(1.000)	9.419	2.060
Additional Accommodation	14.738		0.175	0.507	(3.607)	11.813	3.200
NDS Maintenance & Modernisation	9.658		0.003	0.000	(2.942)	6.719	3.324
Devolved Formula Capital	1.086					1.086	0.534
Access and Inclusion	0.530					0.530	0.000
DCSF Primary Capital Programme	0.245					0.245	0.000
DCSF Targeted Capital 14-19 SEN	4.182					4.182	1.894
Other Projects New Schools	5.617				(3.581)	2.036	0.005
Other Schools Projects - Expansions & Replacements	1.509		(0.178)	0.162	(0.330)	1.163	0.287
Early Years (inc Surestart & Extended Schools)	0.483					0.483	0.035
Aiming High for Disabled Children	0.097					0.097	0.025
Other Education Schemes	0.025					0.025	0.000
Total Education schemes	48.589	0.000	0.000	0.669	(11.460)	37.798	11.364
Highways schemes							
Integrated Transport	2.961			0.126		3.087	0.912
Structural Maintenance	11.093					11.093	6.698
Land Drainage	0.500					0.500	0.248
Additional Highway Works	1.797					1.797	0.566
Bridges	3.250					3.250	0.753
Total Highways schemes	19.601	0.000	0.000	0.126	0.000	19.727	9.177
Campus and Operational Delivery schemes							
Hub Programme Office Rationalisation	17.313	2.000	(2.000)		(1.000)	16.313	9.468
Hub Programme ICT	2.000					2.000	1.957
Operational Estate	1.526		(0.090)		(0.336)	1.100	0.515
Depot & Office Strategy	0.210				(0.110)	0.100	0.000
Libraries, Heritage and Art	0.080					0.080	0.072
Libraries RFID Technology	0.034					0.034	0.001
Campus	4.413					4.413	1.039
Salisbury Vision	0.310		2.000			2.310	0.041
Total CAOD schemes	25.886	2.000	(0.090)	0.000	(1.446)	26.350	13.093
Other Property schemes							
Buildings Repair & Maintenance	3.646					3.646	1.319
Total Property schemes	3.646	0.000	0.000	0.000	0.000	3.646	1.319

Capital Programme budget movements and spend to 30th September 2012/2013

Scheme name	2012/2013 Budget Breakdown						
	Month 4 Budget 2012/2013	CAOD adjustment agreed in Month 4 CCAC	Month 6 Budget Movements Between Schemes	Additional Budget see appendix B	Reprogrammed Budget Between 2012/2013 & 2013/2014	Current Budget 2012/2013	Total Spend (Actual + Commitments) as at Month 6
	£m	£m	£m	£m	£m	£m	£m
Housing schemes							
Disabled Facilities Grants	3.222				(1.000)	2.222	1.086
Corporate Other Housing Grants	2.662		0.090		(0.500)	2.252	0.310
New Housing	0.522					0.522	0.003
HRA - Refurbishment of Council Stock	9.591				(4.124)	5.467	3.873
Total Housing schemes	15.997	0.000	0.090	0.000	(5.624)	10.463	5.272
Waste schemes							
Waste Transformation	1.292					1.292	0.214
Waste Management & Waste Vehicles	0.376					0.376	0.028
Total Waste schemes	1.668	0.000	0.000	0.000	0.000	1.668	0.242
Other schemes							
Revenue & Benefits IT System	0.295					0.295	0.090
Carbon Reduction 11/12 Schemes	0.504					0.504	0.344
Oil to Biomass Schemes	2.700					2.700	0.181
Planning IT System	0.866					0.866	0.362
Adult Social Care Strategy - Older People, LD & Mental Health	1.537				(0.890)	0.647	0.100
Social Care Infrastructure & Community Safety	0.122					0.122	0.015
Area Boards and LPSA PRG Reward Grants	0.715					0.715	0.241
Other Economic Development Schemes	0.678					0.678	0.001
Rural Estates	0.621				(0.500)	0.121	0.001
Cross Departmental Initiatives & Other Schemes	0.519					0.519	0.000
Digital Inclusion	1.370					1.370	0.034
Leisure Schemes (Non Campus)	0.750					0.750	0.001
ICT Schemes	0.670				(0.670)	0.000	0.000
Fleet Vehicles	1.500					1.500	0.125
Total Other schemes	12.847	0.000	0.000	0.000	(2.060)	10.787	1.495
Total 2012/2013 Programme	128.234	2.000	0.000	0.795	(20.590)	110.439	41.962

CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting
Financial Year:

6th November 2012

2012/2013

SECTION 1 - DELEGATED CFO POWERS

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme i.e. Additional resources available in the form of Grant, Section 106 contributions etc which fund the addition, "

Project Name: Additional Accommodation
Budget Change:

2012/13	2013/14	2014/15
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507,323
Funding Source: Section 106 contributions towards capital works at various schools

Project Name: NDS Modernisation
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

111
Funding Source: Section 106 contribution towards capital works at Longford Primary School

Project Name: Other Schools Projects - Expansions & Replacements
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

162,186
Funding Source: Section 106 contribution towards capital works at Clarendon College

Project Name: Integrated Transport
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

89,294
Funding Source: Grant received from Area Boards towards transport works across the county

Project Name: Integrated Transport
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

25,047
Funding Source: A number of small contributions from Parish Councils, Schools, and the Highways Agency towards transport works across the county

Project Name: Integrated Transport
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

11,439
Funding Source: Sustrans grant received towards transport works across the county

795,400 Total Delegated Changes Approved by Section 151 Officer

SECTION 2 - DELEGATED CFO POWERS

"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"

Project Name: Sarum Academy Salisbury
Budget Change:

2012/13	2013/14	2014/15
---------	---------	---------

(1,000,000) 1,000,000
Notes: Reprogramming of Schemes to match anticipated expenditure between financial years

Project Name: Additional Accommodation
Budget Change:

2012/13	2013/14	2014/15
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(3,607,448) 3,607,448
Notes:

Project Name: NDS Modernisation
Budget Change:

2012/13	2013/14	2014/15
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(2,941,781) 2,941,781
Notes:

**CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR
ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME**

CCAC Meeting
Financial Year:

6th November 2012

2012/2013

Project Name:	Other Projects New Schools		
Budget Change:	2012/13	2013/14	2014/15
	(3,580,605)	3,580,605	
Notes:			
Project Name:	Other Schools Projects - Expansions & Replacements		
Budget Change:	2012/13	2013/14	2014/15
	(330,482)	330,482	
Notes:			
Project Name:	CAOD - Hub Programme Office Rationalisation		
Budget Change:	2012/13	2013/14	2014/15
	(1,000,000)	1,000,000	
Notes:			
Project Name:	CAOD - Operational Estate		
Budget Change:	2012/13	2013/14	2014/15
	(336,000)	336,000	
Notes:			
Project Name:	CAOD - Depot & Office Strategy		
Budget Change:	2012/13	2013/14	2014/15
	(110,000)	110,000	
Notes:			
Project Name:	Disabled Facilities Grants		
Budget Change:	2012/13	2013/14	2014/15
	(1,000,000)	1,000,000	
Notes:			
Project Name:	Corporate Other Housing Grants - Affordable Housing		
Budget Change:	2012/13	2013/14	2014/15
	(500,000)	500,000	
Notes:			
Project Name:	HRA - Refurbishment of Council Stock		
Budget Change:	2012/13	2013/14	2014/15
	(4,124,034)	4,124,034	
Notes:			
Project Name:	Adult Social Care Strategy - Older People, LD & Mental Health - Extra Care Housing		
Budget Change:	2012/13	2013/14	2014/15
	(890,000)	890,000	
Notes:			
Project Name:	Rural Estates		
Budget Change:	2012/13	2013/14	2014/15
	(500,000)	500,000	
Notes:			
Project Name:	ICT Schemes		
Budget Change:	2012/13	2013/14	2014/15
	(670,000)	670,000	
Notes:			
	20,590,350	Total Re-programming between years	

**CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR
ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME**

CCAC Meeting
Financial Year:

6th November 2012

2012/2013

SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"

Project Name:

Budget Change:

2012/13

2013/14

2014/15

Funding Source:

There are no requests for additional resources detailed within this report

0

Total requests for additional resources

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

CHIEF FINANCE
OFFICER:

Michael Hudson

DATE:

November 2012

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WILTSHIRE COUNCIL

CABINET CAPITAL ASSETS COMMITTEE
Informal Meeting 23rd October 2012
Formal Meeting 6th November 2012

Subject: **BROWFORT, DEVIZES – OPTIONS FOR DISPOSAL**

Cabinet Member: Cllr Toby Sturgis
Waste, Property, Environment and Development Control Services

Key Decision: No

Purpose of the report

1. To present all the potential options for the disposal of the Browfort site and to ask Members to select their preferred option.

Background

2. In January 2012 Cabinet delegated authority to Dr Carlton Brand, Corporate Director, in consultation with Cllr Stuart Wheeler, Cabinet Member for Transformation, Culture, Leisure and Libraries to
 - a. instruct officers within the Transformation Programme to commence the necessary consultation with key stakeholders and staff to enable the closure of Browfort offices during autumn 2012
 - b. market and dispose of the Browfort offices site if officers cannot develop an appropriate, financially viable, alternative long term public service use for the site, such as use by another public body or Extra Care provision.
3. Following consultation, a programme of works to create the customer centre in Snuff Street and refurbished office space in Kennet House staff has completed and staff have vacated the main Browfort buildings. Some teams will remain on site in The Cedars, The Lodge and Yew Trees for operational reasons until spring 2013.
4. Running cost savings from the building closure have been factored into the revenue budget and the potential capital receipt have not yet been factored into the Council's funding strategy as no value was assumed at the time the site was declared surplus. Effectively, the value associated with the option chosen for disposal is a 'new' receipt and as such may be used to repay borrowing or to reduce future borrowing. For reasons of commercial confidentiality the projected value of the receipt are not included in this report but the values are 'scored' in the table of options. That said, an indicative value range for a site of this nature could be in the order of £2-3m depending on use.

5. There is currently no budget identified in 2013/14 to meet the 'empty' running costs of the site and buildings which are estimated at circa £160k per annum so an early disposal is desirable.
6. Potential uses have been identified for the site both by officers, Members and locally but these have not been collated, appraised and presented to Members for consideration to date.

The Site

7. The Browfort site extends to approximately 2.8 hectares (6.87 acres) accessed from Bath Road. There are five independent buildings on the site:
 - a. The main office building – a 19th century former residential property (not listed) linked to a 1980's extension,
 - b. The Cedars – a Grade II* listed Georgian building at the entrance with a large garden,
 - c. The Lodge – a small stone faced building by the entrance road, not listed,
 - d. Yew Trees – office building beside The Lodge, not listed,
 - e. The Beeches – a relatively modern small office building.
8. Whilst the site is not within a designated conservation area, there are a number of mature and semi-mature trees which have an important amenity value and which will dictate its future uses and the form of development that can be achieved. The site is designated as an 'Area of Minimum Change' (Policy HH10, adopted Kennet Local Plan), where the character of the area should be protected from harmful development. There is also a steep slope on the north western boundary, an extensive listed building curtilage around The Cedars and a retaining wall at the entrance to the site. These constraints limit the developable area to approximately 4.76 acres (not contiguous) and also limit the scope for redesigning the access route to the site. These factors have been considered within the appraisal.
9. As referred to above, access to the site is constrained by existing features. It is unlikely therefore that the general arrangement of the existing junction onto Bath Road will change, although some minor changes may be appropriate in order to improve safety, capacity and accessibility.
10. In the adopted Kennet Local Plan the site is also designated as a 'Protected Strategic Employment Site' (Policy ED7). Whilst it is not designated as an employment site in the emerging Wiltshire Core Strategy, as an existing/former employment site it is safeguarded for employment uses (Core Policy 35). Policies allow for change in exceptional circumstances which need to be supported by appropriate evidence including marketing of the site for employment use. The Core Strategy also identifies specific issues to be addressed in considering development at Devizes including traffic congestion, air quality, providing for employment growth and infrastructure (Core Policy 12).

Valuation and Alternative uses

11. The Council's external property consultants, Chesterton Humberts, were commissioned to provide alternative use valuations on a wide variety of options from employment to housing uses (including extra care) and variations in between.
12. Regarding employment use, current demand in Devizes and in Wiltshire generally for large offices is very weak. A key recommendation from Chesterton Humberts therefore is that the site is properly marketed for a period of six months to demonstrate that there is no realistic chance of securing a tenant or purchaser for employment purposes in accordance with adopted and emerging planning policy. However, they propose that The Cedars building (and possibly The Lodge) is retained in employment use in each redevelopment option as this is the most appropriate use for the building and would provide a mixed use development which would go some way to meeting the policy requirements.
13. The options considered together with comments and an analysis of risks and scores (10 meaning certainty/high value and 0 meaning no possibility/minimal value) are set out in the following table. The estimated values of the disposal options are commercially sensitive and are therefore reflected by a 'score' within this table.

Table of Options:

Option All presume the 'retention' of The Cedars in B1 employment use	Comment/Risks	Site suitability	Likely planning success	Reliability of funding	Value (SCORE not £)	Total / Rank
i. Retention of all buildings on site for existing use	Substantial investment in the buildings would be needed to attract an occupier. The market for large offices in Devizes is very poor and the premises may stand empty for a significant period.	10	10	1	2	23 / 4=
ii. Demolition/site clearance for redevelopment for existing uses	As above – site has significant redevelopment constraints for larger facilities.	3	9	3	2	17 / 8
iii. Conversion of existing building for Extra Care	Most Extra Care operators have their own building models to allow quality care to be provided and to attract clients preferring new build to conversion. The infrastructure of the building does not lend itself easily to meet current requirements such as lifts, en suite facilities, etc.	10	8	1	1	20 / 7
iv. Demolition of all buildings to redevelop with Care Village (Private scheme providing open market EC facility, Care Home, surgery, etc)	The Quakers Walk (private EC development) planning appeal if allowed will have a significant impact on viability of a scheme of this nature. Site issues will impact on flexibility and deliverability.	7	7	4	6	24 / 3
v. Demolition of all buildings to redevelop low density market housing	Constraints on the site will limit the density that could be achieved. Planning policies relating to loss of employment and level of affordable housing will need further consideration.	7	7	10	6	30 / 1
vi. Demolition of all buildings to redevelop Retail Food Store	The access and other site constraints together with planning policies suggest this use is unlikely to be capable of being delivered.	3	2	8	10	23 / 4=
vii. Demolition of all buildings to redevelop part low density market housing/part Extra Care in accordance with Council's framework	Reflects the Council's Extra Care requirements. Unlikely to be significantly affected by Quakers Walk appeal decision.	8	7	8	6	29 / 2
viii. Demolition of all buildings to redevelop Part General/low density Market Housing/Additional B1 employment (approx 20,000sqft)	Lack of demand for offices locally will impact funding and land values	6	8	5	3	22 / 6

N.B. Scoring assessment undertaken by Officers with additional professional support from Chesterton Humberts

Main Considerations

14. The table highlights two preferred options for the site that are suitable in terms of their value and deliverability – open market, low density housing on the whole site or housing mixed with an extra care facility.
15. Subject to planning considerations and based on the constraints of the site there is an opportunity to develop a low density, very high quality housing scheme that is likely to be very attractive to developers. A quick disposal of the site is important to reduce void costs (security, rates, etc) and to avoid it being subject to damage either from the elements or from vandals. The buildings can be demolished ahead of disposal which will improve its value and marketability and the costs can be recovered from sale proceeds.
16. The Older People Accommodation Strategy seeks to deliver 60 bed mixed tenure unit through the Council's framework (the Quakers Walk scheme delivers no affordable units). Other options to deliver this include the redevelopment of the Council's EPH at Southfields (legal title issues may indicate that extra care use more appropriate than open market housing) and Anzac House although this is being considered as an affordable housing PFI site. Void costs will be incurred during the design development and tender period for this scheme which will be significantly higher than a complete disposal for housing.
17. A period of marketing to comply with the Council's own planning policies and to justify whether the site can continue as a viable employment site is important. Subject to Members decision for disposal, it is necessary to commence marketing as soon as is possible as the building will remain vacant for this period and may be subject to deterioration, vandalism and ongoing void costs. It is recommended that this marketing is undertaken as soon as further consultation with the Town Council and Area Board is complete and, in line with previous Cabinet decisions, delegated to Dr Brand and Cllr Wheeler.
18. Work has been undertaken with the VCS to identify whether the building is suitable for their long term office needs. As can be seen from the analysis, all recommendations include the demolition of the building due to its poor infrastructure and concerns over its long term suitability for offices which is why Cabinet had approved significant investment in the building had it been required for Council use.
19. The site value is such that the Council is required to ensure a realistic full market return on the property and a less than full value disposal may require the approval of the Secretary of State and an assessment by the Council that the building was suitable for the use proposed. The work undertaken by officers and Chesterton Humberts indicates that the building is not suitable for ongoing use as offices without a significant capital investment that is not available under the VCS proposal.
20. Given the development constraints on the site any retention and partial reuse of Old Browfort or Browfort by the Council or a third party would have a significant impact on the value of the site.

21. Rental of the site other than on a full economic basis is not an option as this would require significant capital investment by the Council in the fabric and the mechanical and electrical systems within the building estimated to be in the range of £3-£4m, at a time when the disposal of the building has already been approved by Cabinet and no budget for its retention, maintenance and improvement exists.

Local Input

22. Some of the Key issues, reflecting community views, included within the emerging Core Strategy are around infrastructure development including congestion and air quality) and employment. The development options for the Browfort site will need to be assessed in detail in this context in accordance with due process but it is unlikely that the options presented as most deliverable will impact adversely on the infrastructure of the town. Some employment use is to be retained on the site and its viability as an entire employment site will, if approved, be assessed over a marketing period.

23. Following the identification of a preferred option or options from CCAC, further consultation will be undertaken with the Town Council and the Area Board who have so far expressed a preference for the retention of some employment use on the site

24. The Area Board formed an Extra Care Task Group (ECTG) which is working with officers to look at the most appropriate solutions to the provision of extra care in the Town. The group has recently reviewed potential Council owned sites indicating a preference for Browfort and Southfields Care Home. It has also requested officers to investigate some sites in third party ownership. The six months marketing period will allow this group time to report their findings.

Recommendations

25. That officers undertake consultation with the Area Board and the Town Council based on this Committee's preferred option(s). That officers commence early marketing of the site for employment use.

26. Six months after marketing commences, if no significant and deliverable interest has been demonstrated, Dr Brand, in conjunction with Cllr Stuart Wheeler, to determine and proceed with implementation of one of the options preferred by this Committee, giving due consideration to the views of the Area Board and the Town Council.

Dr Carlton Brand
Corporate Director

Report Author:

Sarah Ward, Head of Strategic Asset Management and Corporate Build Programme

The following unpublished documents have been relied on in the preparation of this Report: None

Appendices: None