

## **REPORT OF EXECUTIVE CABINET**

### **Capital Programme 2009/10 to 2011/12 – Monitoring Report**

1. The Executive Cabinet considered at its meeting on 7 January 2010 a report on proposals to revise the Council's Capital Programme for 2009/10 to 2011/12.
2. The Council has previously agreed an application for the capitalisation of redundancy payments and pension strain costs arising from the restructuring of Directorates in 2009 and we were recommended to apply for the estimated costs of the recent senior management and Corporate Services restructures to be also capitalised. This will take the total of the capitalised restructuring costs to £1,150,000.
3. Rephasing of certain capital schemes to 2010/11 will offset part of the net increase in expenditure and other additions to the programme are expected to be financed through external resources.
4. The borrowing requirements to fund the 2009/10 programme has increased by £550,280, principally as a consequence of the capitalised restructuring costs. The cost of the increased borrowing, as well as the revenue savings in the region of £600,000 per annum anticipated from the restructures, will be taken into account in the preparation of the draft revenue estimates for 2010/11 onwards.
5. A copy of the report presented to the Executive Cabinet is attached so that the Council is able to take account of the relevant factors before taking decisions on the Capital Programme.

### **Recommendations**

6. That the Council be recommended:
  - i. to approve the revised Capital Programme for 2009/10, as shown in Appendix 1 to the submitted report;
  - ii. to note the amendments to the provisional Capital Programme for 2010/11, as shown in Appendix 1 to the submitted report;
  - iii. to note the inclusion of the additional restructuring costs in the December 2009 applications for Directions to capitalise redundancy and pension strain costs in 2009/10;
  - iv. to request budget holders to continue to review their uncommitted 2009/10 budgets in order to identify any further expenditure that can be rephased to a later financial year in order to reduce the borrowing requirement in 2009/10 and the revenue costs in 2010/11.

COUNCILLOR KEVIN JOYCE  
Executive Member (Resources)

There are no background papers to this report

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