

Report of	Meeting	Date
Chief Executive (Introduced by the Executive Member for Resources)	Executive Cabinet	24 November 2011

CAPITAL PROGRAMME MONITORING 2011/12 – 2013/14

PURPOSE OF REPORT

- To update the Capital Programmes for financial years 2011/12 to 2013/14 to take account of rephasing of expenditure and other budget changes.

RECOMMENDATION(S)

- That the Council be recommended to approve the changes to the Capital Programme for 2011/12 to 2013/14 as presented in Appendix 1.

EXECUTIVE SUMMARY OF REPORT

- Council of 27 September 2011 approved revisions to the 2011/12 to 2013/14 Capital Programme, to increase the current estimate to £10,220,550, which is the total of columns (1), (4) and (7) in Appendix 1. The principal changes to the programme were the increase to the Disabled Facilities Grant budget to reflect estimated grant receivable in 2012/13 and 2013/14; and the increase to the Play and Recreation Fund budget financed by developers' contributions receivable during 2011/12.
- It is proposed that the three-year Capital Programme should be increased by a net total of £89,040, which increases the total to £10,309,590, as shown in column (10) of Appendix 1. Of the £89,040 increase, £34,700 is to be financed with additional external contributions; £39,340 is to be financed with revenue budget virements already approved by Council on 27 September 2011; and £15,000 additional revenue budget virements requested in the revenue budget monitoring report. Rephasing of £40,000 of the 2012/13 ICT budget for Citrix was also approved on 27 September, and this will be financed by borrowing in 2011/12 rather in 2012/13.
- Details of the proposed budget changes are presented in Appendix 2.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- It is necessary to update the capital programme figures for 2011/12 to 2013/14 to add ICT projects previously approved by Council and Executive Cabinet; to transfer £18,000 of the budget for Planned Improvements to Fixed Assets to the budget for ICT enhancements; to confirm use of part of the uncommitted Housing Renewal budget; and to reflect changes to the resources estimated to be available to finance the programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7. None.

CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

Strong Family Support		Education and Jobs	
Being Healthy		Pride in Quality Homes and Clean Neighbourhoods	
Safe Respectful Communities		Quality Community Services and Spaces	
Vibrant Local Economy		Thriving Town Centre, Local Attractions and Villages	
A Council that is a consistently Top Performing Organisation and Delivers Excellent Value for Money			✓

BACKGROUND

9. The revised Capital Programme for 2011/12 to 2013/14 was approved by Council on 27th September 2011, as follows:

	£
2011/12	8,292,840
2012/13	1,128,710
2013/14	799,000
Total 2011/12 – 2013/14	<u>10,220,550</u>

10. There was a net increase in the three-year programme of £66,780, of which £69,040 was to be financed by government grants and developers' contributions; £7,900 was transferred to the revenue budget; and £5,640 was to be financed with revenue resources.

11. Virements to enable enhancements to ICT hardware and software were also approved by Council on 27th September 2011. Costs that should be capitalised even if financed with revenue budget resources should now be included in the capital programme. Other costs relating to development of ICT systems are retained in the revenue budget.

PROPOSED CHANGES

12. It is proposed to increase the programme for financial years 2011/12 to 2013/14 by a net total of £89,040, made up as follows:

	£
Increased budgets funded with external contributions	34,700
Revenue financing approved 27 th September 2011	39,340
Additional revenue financing now requested	15,000
Total	<u>89,040</u>

Further explanation is given below and the analysis of the variances between virements, rephasing and other changes is presented in Appendix 2.

13. Budgets for ICT projects that implement new hardware and software increase by a total of £112,340. Of this total, bringing forward £40,000 of the budget from 2012/13, and funding £39,340 from revenue were approved by Council on 27th September 2011. Of the remaining £33,000, it is proposed that £18,000 should be vired from the budget for Planned Improvements to Fixed Assets, and that £15,000 should be funded from revenue budget savings.
14. It is proposed that £16,590 of the uncommitted Housing Renewal budget should be used to fund additional works to a property also receiving the benefit of a full mandatory Disabled Facilities Grant. It is likely that much of the remaining Housing Renewal budget will be rephased to 2012/13. However, the council's bid for grant funding for the enhancement of Cotswold House was unsuccessful, and alternative sources of financing may have to be considered.
15. There is still an uncommitted budget for Affordable Housing projects of £457,630. Due to the time it takes to develop schemes with partners, much of this budget could be rephased to next year. In addition to making financial contributions to Affordable Housing schemes, the council promotes Affordable Housing by providing land at subsidised values. The latest such scheme is at Gillibrand, where a plot may be provided for Affordable Housing free of charge.
16. Additional external grant funding has been secured for the Yarrow Valley Country Park's Natural Play Zone. The budget should be increased by £34,500 to reflect the additional funding. The budget for the nearby Big Wood reservoir should be rephased to 2012/13, when it is hoped that extra external funding will be available to provide further enhancement to the site.

IMPLICATIONS OF REPORT

17. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

18. Financial implications are set out in the body of the report.

COMMENTS OF THE MONITORING OFFICER

19. The Monitoring Officer has no comments.

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Michael L. Jackson	5490	3 rd November 2011	Capital Programme Monitoring 2011-12-13-14 Nov 2011.doc