

Report of	Meeting	Date
Director of Finance (Introduced by the Executive Leader, Councillor J Wilson)	Executive Cabinet	30 March 2006

CAPITAL PROGRAMME MONITORING

PURPOSE OF REPORT

- To present updated figures for the 2005/06 and 2006/07 capital programmes; to update the 'reserve list' of schemes; and to recommend the inclusion of expenditure on kerbside recycling in the approved programme for 2006/07.

CORPORATE PRIORITIES

- Implementation of capital projects can help to achieve several corporate priorities. The projects for 2006/07 onwards, including the 'reserve list', are categorised according to the corporate priority they relate to.

RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy		Information	
Reputation		Regulatory/Legal	
Financial	√	Operational	
People		Other	

- Detailed estimates have not yet been prepared for all of the schemes in the 2006/07 capital programme. Revisions to the programme may be required when tenders are received or, in respect of land assembly, compensation terms are agreed.

The intended financing of the capital programmes for 2005/06 and 2006/07 takes into account estimated capital receipts from the sale of assets at a prudent level. At the time of preparing this report, one substantial capital receipt required to finance the 2005/06 programme is still outstanding: a verbal update will be given at the meeting.

BACKGROUND

- Council of 7 March 2006 approved a reduction in the 2005/06 Capital Programme to £15,202,760. Subsequently Executive Cabinet of 9 March 2006 recommended a further reduction to £15,079,800, taking into account slippage of expenditure into 2006/07.

6. The Capital Programme for 2006/07 to 2008/09 was approved at Council of 7 March 2006, the total for the three years being £14,659,770. Of this total, the expenditure estimate for 2006/07 was £7,635,490.

CAPITAL MONITORING 2005/06

7. Following discussions with budgets holders, the latest Capital Programme forecast for 2005/06 shows a reduction in total expenditure to £10,541,950. The changes can be summarised as follows:

	£	£
Capital Programme 2005/06 as at 9/3/06		15,079,800
Slippage to 2006/07		
- Computer Network Improvements	(3,400)	
- Euxton Play Facilities (S106)	(1,100)	
- e-Claims travel & subsistence	(6,000)	
- Planning Delivery Grant funded scheme	(123,370)	
- Road junction improvements (S106)	(175,530)	
- Eaves Green Link Road (S106)	(4,300,000)	
		<hr style="width: 100%; border: 0.5px solid black; margin-top: 5px; margin-bottom: 5px;"/> (4,609,400)
Other Changes		
- Job Evaluation software	10,550	
- Town Hall (b/f from 2006/07)	26,000	
- Cotswold House CCTV	35,000	
		<hr style="width: 100%; border: 0.5px solid black; margin-top: 5px; margin-bottom: 5px;"/> 71,550
Capital Programme 2005/06 as at 30/3/06		<hr style="width: 100%; border: 0.5px solid black; margin-top: 5px; margin-bottom: 5px;"/> 10,541,950

The detailed programme is presented as Appendix 1 and further information about the 'Other Changes' as Appendix 2. The sum of £26,000 had been included in the 2006/07 programme to cover release of retention, but this budget is required in 2005/06 instead.

CAPITAL PROGRAMME 2006/07 TO 2008/09

8. It is proposed that the Capital Programme for 2006/07 be increased from £7,635,490 to £12,351,330 for the following reasons:

	£
Capital Programme 2006/07 as at 7/3/06	7,635,490
Add:	
Slippage from 2005/06	4,609,400
Pitch drainage Croston (S106)	19,950
Kerbside recycling from Reserve List	112,490
Less: Town Hall budget to 2005/06	(26,000)
Capital Programme 2006/07 as at 30/3/06	12,351,330

9. The detailed programme for 2006/07 is presented as Appendix 3 and the updated Reserve List as Appendix 4.

10. The addition to the approved programme of containers required for the kerbside recycling service would lead to an increase in prudential borrowing in 2006/07. The revenue consequences in 2006/07 would be payment of interest of less than £5,000, which would be met from identified revenue savings. In subsequent years, an increased Minimum

Revenue Provision would be required as well as interest, so that the revenue cost in 2007/08 would be around £10,000.

COMMENTS OF THE HEAD OF HUMAN RESOURCES

11. There are no direct human resource implications of the recommendations.

RECOMMENDATION(S)

12. That Executive Cabinet recommend to Council that the Job Evaluation system be added to the 2005/06 Capital Programme at £10,550, to be financed from the Job Evaluation Reserve previously created.
13. That Executive Cabinet recommend to Council that the Capital Programme for 2005/06 be reduced to £10,541,950, as presented in Appendix 1.
14. That Executive Cabinet recommend to Council the addition of £112,490 kerbside recycling expenditure to the 2006/07 Capital Programme.
15. That Executive Cabinet recommend to Council that the 2006/07 Capital Programme be amended by the slippage of £4,609,400 expenditure from 2005/06 and the net reduction of £6,050 in the Other Changes column of Appendix 3.
16. That Executive Cabinet recommend to Council that the Reserve List of schemes for consideration for implementation in 2006/07 be increased by £1,256,580, as presented in Appendix 4.

REASONS FOR RECOMMENDATION(S) (If the recommendations are accepted)

17. The phasing of expenditure on schemes approved to be implemented during 2005/06 needs to be updated on the advice of external consultants and the Council's project managers.
18. The Capital Programme for 2006/07 needs to be updated to take account of slippage and other changes to the phasing of schemes.
19. The Executive Cabinet Panel on Waste Recycling Arrangements of 15 March 2006 has requested the inclusion of a budget for acquisition of kerbside recycling containers in the 2006/07 Capital Programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

20. None.

GARY HALL
DIRECTOR OF FINANCE

There are no background papers to this report.

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