

Report of	Meeting	Date
Deputy Chief Executive/Executive Director – Corporate & Customer and the Assistant Chief Executive (Business Transformation and Improvement)	Overview and Scrutiny Committee	1 October 2007

DRAFT CAPITAL PROGRAMME MONITORING 2007/08

PURPOSE OF REPORT

- To update members on the progress of the 2007/08 Capital Programme, and to seek member support and approval for a number of recommendations from the Corporate Improvement Board.

RECOMMENDATION(S)

- That the revised capital programme for 2007/08 in the sum of £8,673,310 be approved

EXECUTIVE SUMMARY OF REPORT

- This report seeks approval to requested amendments and additions to the 2007/08 capital programme following a recent monitoring exercise and Corporate Improvement Board meeting.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

- To ensure that the Capital Programme reflects and is capable of assisting the delivery of the Council's corporate priorities

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- None

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the central Lancashire sub region	✓	Improved access to public services	✓
Improving equality of opportunity and life chance	✓	Develop the character and feel of Chorley as a good place to live	✓
Involving People in their Communities	✓	Ensure Chorley is a performing Organisation	✓

BACKGROUND

7. On 28th June 2007 Executive Cabinet approved the 2007/08 capital budget of £8,383,450. The programme is now forecast to be £8,798,310 and significant reasons for this increase are given below. A detailed analysis of the programme showing the changes is shown at Appendix 1.

CAPITAL PROGRAMME MONITORING 2007/08

8. The latest Capital Programme forecast for 2007/08 shows a increase in the programme of £414,860 to £8,673,310. The principal reasons for this are:
- (a) Capitalised Restructuring Costs. An increased cost of £599,940 is largely associated with ongoing restructures. An application to CLG to have these costs capitalised will be submitted but we will not know whether we have been successful until later in the year. There is a small risk to the Council if approval is not received but if this the case the Council has the option of amortising the costs into the revenue account thereby replacing the capitalisation costs. The restructuring which result in the capitalisation cost will generate significant savings
 - (b) Thin Client. There has been some re-phasing of the thin client budget but due to the fact that we are able to use existing kit to host thin client we are not required to replace all our kit at once. This will result in an estimated in year saving of £248,850
 - (c) There is a requirement to fund the cost of repairs at Cotswold House. This is a term of the contract with CCH and a condition survey has highlighted urgent works. It is intended to use the Regional Housing Pot Capital Grant budget to finance the estimated £40,000 repair cost
 - (d) An increase of £55,000 is required to fund the staff costs associated with the Home Improvement Agency administration of grants. Again the Regional Housing Pot Capital Grant budget will be used to fund this expenditure.
 - (e) The net decrease of £95,000 in the Regional Housing Pot Capital Grant budget leaves £693,000 remaining.
 - (f) We have received government grant of £26,760 for Building Safer Communities and members will be informed of the way this money is proposed to be spent at the next Executive Cabinet meeting.
 - (g) As a term of the contract, inflation needs to be added to the budget of £200,000 for Leisure Centre Capital Investment. This has been calculated at £39,470 for three years starting 2005/06.

HOW ARE WE PERFORMING?

9. High level monitoring of the capital programme is carried out through 3 performance indicators, which have been described in previous Executive Cabinet reports. Table I lists these and shows targets and current performance.

Performance Indicator	Target 2007/08	Performance Sept 2007
1. The % of the capital programme budget actually spent	90	25
2. The % of projects using the toolkit	70	69
3. The % of capital schemes intended to be completed during the year actually completed	85	30

Table 1 – Capital Programme 2007/08 – Key Performance Indicators

PROGRAMME BOARD RECOMMENDATIONS – NEW PROJECTS

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

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Streetscene, Neighbourhoods and Environment.	✓

COMMENTS OF THE DIRECTOR OF STREETSCENE, NEIGHBOURHOODS AND ENVIRONMENT

11. There are a number of projects contained in the programme which are due to start in the next part of this financial year. However in relation to the particular item I would make the following comments.
12. The Council approve a sum of £40k to be spent as alley gate schemes. Presently alley gate schemes are being progressed. Some of the schemes still require resident support and we shall continue to work with residents to progress all schemes.

PAUL MORRIS
EXECUTIVE DIRECTOR – CORPORATE AND CUSTOMER

GARY HALL
ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION AND IMPROVEMENT)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Barbara Charnock	5457	14 Sept 07	Cap Mon Sept 07