

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation) (Introduced by the Executive Member for Resources, Councillor A Cullens)	Executive Cabinet	6 th December 2007

CAPITAL PROGRAMME MONITORING 2007/08

PURPOSE OF REPORT

1. 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 Strategy Group.

RECOMMENDATION(S)

2. That the Council accepts an additional grant award of £373,000 from the Heritage Lottery Fund towards the cost of the Astley Park capital project and contributes £106,000 towards the cost of the grant-eligible expenditure and £17,000 for additional design fees not eligible for grant.
3. That the revised capital programme for 2007/08 in the sum of £10,175,240 be approved and that slippage of £1,176,650 expenditure to 2008/09 onwards be noted.

EXECUTIVE SUMMARY OF REPORT

4. This report seeks approval to requested amendments and additions to the 2007/08 Capital Programme following a recent monitoring exercise and Strategy Group meeting. In particular, it is proposed that the overall budget of the Astley Park project is increased in order to ensure the successful completion of the scheme according to the timetable agreed with the Heritage Lottery Fund. Following a "value engineering" exercise and the redesign of certain aspects of the project, the HLF has offered additional grant funding, but match funding is also required from the Council. The delay to the building works phase of the project means that there is significant slippage of expenditure to next year, but the project is still expected to be completed on time.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

5. 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

6. None.

CORPORATE PRIORITIES



7. 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

8. On 4th October 2007 Executive Cabinet approved the 2007/08 capital budget of £8,798,310. The programme is now forecast to be £10,175,240 and significant reasons for this increase are given below. A detailed analysis of the programme showing the changes, including slippage to next year, is shown at Appendix A.

HOW ARE WE PERFORMING?

(A) Key Performance Indicators

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 1 lists these and shows targets and current performance.

Performance Indicator	Target 2007/08	Performance Nov 2007
1. The % of the capital programme budget actually spent	90	23
2. The % of projects using the toolkit	70	76
3. The % of capital schemes intended to be completed during the year actually completed	85	29

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

10. The percentage of the budget actually spent is lower than forecast for the time of year, however there are significant commitments in the financial system, which are likely to be met by the time of the next monitoring report.
11. The percentage of projects using the toolkit exceeds the target, is very encouraging and is likely to increase as the year progresses and more staff are trained in project management skills.
12. Although the percentage of capital schemes actually completed is quite low, this reflects the fact that many of the schemes e.g. disabled facilities grants payment cannot be shown as completed until year-end.

(B) Capital Monitoring 2007/08

13.

Executive Cabinet Date	Details	£	Note
4/10/07	Approved Capital Programme	8,798,310	
	<u>Less</u> Slippage	(1,176,650)	A
	<u>Plus</u> Other Changes	<u>2,553,580</u>	B
	Total	<u>10,175,240</u>	

Note A: Appendix A shows the full capital programme and identifies slippage to 2008/09 and other changes.

Note B: Appendix B is a scheme-by-scheme analysis of the other changes with brief explanations of the changes. The offer letter from the Heritage Lottery Fund is presented as Appendix C.

(C) Capital Receipts Monitoring 2007/08

14. There are limited large disposals expected during 2007/08. The former King Street premises have been sold and the sale of housing development land at Eaves Green is imminent. In respect of the latter, a third of the sum is required to pay the ransom value due to English Partnerships, and the balance will be paid to Lancashire County Council as a further contribution towards the cost of the Eaves Green Link Road.

Based on the level of sales to date, a sum of £1m has been included as the estimated share receivable by the Council from Chorley Community Housing in respect of Preserved Right To Buy sales of dwellings to our former tenants.

In addition, the Council has agreed to transfer land at Gillibrand Fields and Fairview Farm, Adlington to housing associations in return for nomination rights to properties to be built there, rather than cash, in order to promote affordable housing in the Borough.

IMPLICATIONS OF REPORT

15. 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.	

16. The financial implications of the report are covered in the body of the report.

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/Michael L. Jackson	5457/5490	16 Nov 07	CapitalProgrammeMonitoringReport Dec