

**CAPITAL PROGRAMME MONITORING
2008/09 BUDGET
(Report by the Head of Financial Services)**

1. PURPOSE

- 1.1 This report highlights the variations from the 2008/09 Capital Programme approved in February 2008 including any member or officer decisions already taken in accordance with the Code of Financial Management.

2 MONITORING INFORMATION

- 2.1 The Budget approved in February 2008 and subsequent adjustments are shown below. It should be noted that variations are still likely to emerge before the final accounts are completed due to final measures on schemes and late timing adjustments:-

Capital Programme	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Approved Budget (February 2008)	16,955	1,483	15,472
Deferrals from 2007/08	4,649	3,580	1,069
	21,604	5,063	16,541
Approved Adjustments in MTP February 2009	-1,054	140	-1,194
Revised Total	20,550	5,203	15,347
Further Adjustments since February			
Heart of Oxmoor – delayed S106 contribution (para 2.2)	-117	-1,529	1,412
VOIP Data Switches (para 2.3)	57	0	57
Delay in County Leisure Contribution (para 2.4)		-226	226
Other Cost Variations (Annex A)	-106	27	-133
Other Timing Changes to 2009/10 (Annex B)	-694	-898	204
Extra Revenue Salaries recharged to Capital	11	0	11
Current Forecast Total for 2008/09	19,701	2,577	17,124

- 2.2 The payment of the Section 106 Contribution in respect of the Heart of Oxmoor project is triggered by the sale of land at California Road Huntingdon by the County Council and the Regional College. This has been delayed and it is not yet clear when this will happen. Although we will have to fund the assumed interest resulting from the delay the sum received depends on the sale value which is currently depressed.

2.3 The approved budget for the VOIP Data Switches turned out to be inadequate. The estimate was first made before there was any certainty about the number and type of switch or how difficult the project would be to manage. Most of the extra cost was due to extra switches being required and the project proving to be more complex than expected. Virement of £57k, from the savings of £133k shown in the table, has been approved by COMT under the Code of Financial Management.

2.4 The County Council has agreed to fund 26% of the capital cost of certain maintenance projects at the Leisure Centres and now confirmed that the payment is in their capital programme for 2010/11.

3. REVENUE IMPLICATIONS

3.1 The impact of these new variations on the forecast and MTP approved in February is to reduce the net revenue expenditure by £3k in 2008/09 with further adjustments in future years, as shown below.

Revenue Impact	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013
	£000	£000	£000	£000	£000
Heart of Oxmoor	7	18			
VOIP Data Switches	0				
Delay in County Leisure Contribution	1	6	3		
Other Cost Variations	-1	-1	-1	-1	-1
Other Timing Changes to 2009/10	1	3			
Extra Revenue Salaries recharged to Capital	-11				
TOTAL FORECAST VARIATION	-3	26	2	-1	-1

N.B. Revenue impact is based on 1% in the current year and 2.5% (the current 5 year PWLB rate) for subsequent years to reflect impact on interest.

4 RECOMMENDATIONS

4.1 It is **RECOMMENDED** that Cabinet:

- Note the variations within the report.

BACKGROUND PAPERS

Capital programme and monitoring working papers.
Previous Cabinet reports on capital expenditure.

Contact Officer – Steve Couper ☎ 01480 388103

ANNEX A

Expected Cost Variations	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
After the Approved MTP – February 2009			
Disabled Facilities Grants - Reduction	-69	16	-85
Repairs Assistance Grants - Saving	-10	0	-10
Implementation of Car Parking Strategy - Saving	-38	0	-38
Huntingdon Skateboard Park	11	11	0
Forecast Cost Variations	-106	27	-133

ANNEX B

Timing Changes to 2009/10	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
After the Approved MTP – February 2009			
St Ives Town Centre Environmental Imps – Phase 2	27	0	27
Village Residential Areas Environmental Improvements	-25	0	-25
St Neots and Eynesbury Environmental Improvements	-90	0	-90
Environment Strategy Funding	-20	0	-20
Sustainable Homes Retrofit	-150	0	-150
Decent Homes Insulation Grants	102	102	0
Huntingdon Town Centre Developments	-6	0	-6
Huntingdon West Development (HGF)	-500	-500	0
Town Centre Developments	-21	0	-21
Ramsey Rural Renewal	-10	0	-10
Community Facilities Grants	48	0	48
Huntingdon LC - Development	-40	0	-40
St Ivo L C – Football Improvements	-237	-500	263
St Neots L C – Development	50	0	50
Leisure Centres Future Maintenance	88	0	88
Leisure Centre – CCTV Improvements	-23	0	-23
Huntingdon Riverside Improvements	-40	0	-40
Social Housing Grant	-73	0	-73
Corporate EDM	-29	0	-29
Business Systems	-2	0	-2
Customer First/Working Smarter	-61	0	-61
Resourcelink – Recruitment Module	-6	0	-6
Government Connect	12	0	12
Vehicle Replacements	-190	0	-190
Huntingdon Bus Station	-20	0	-20
Bus Shelter Provision	33	0	33
Safe Cycle Routes	-225	0	-225
St Ives Transport Strategy	-139	0	-139
Ramsey Transport Strategy	3	0	3
Headquarters	150		150
	-1,394	-898	-496
LESS Deferrals in the Approved Budget	700	0	700
Forecast Adjustment to Programme for Deferrals	-694	-898	204