

**CAPITAL PROGRAMME MONITORING
2010/11 OUTTURN and 2011/12 BUDGET
(Report by the Head of Financial Services)**

1. PURPOSE

1.1 This report gives the outturn position for 2010/11 and highlights the variations from the original Capital Programme approved in February 2010 adjusted for any member or officer decisions already taken in accordance with the Code of Financial Management. It then adjusts the 2011/12 Capital Programme for the resulting deferrals and any variations that are already forecast.

2. OUTTURN 2010/11

2.1 The following tables show the outturn compared with the original Capital Programme (February 2010) and the revised Capital Programme which was used to produce the current year's budget and MTP.

Capital Programme 2010/11	Gross Budget	External Contributions	Net Budget
Comparison with Original budget (February 2010)	£000	£000	£000
Original 2010/11 Budget	17,629	7,819	9,810
Adjust for actual brought forward from 2009/10	3,615	909	2,706
	21,244	8,728	12,516
Forecast Cost Variations (Annex A)	-2,527	-1,420	-1,107
Capital from Revenue Variations (Annex B)	134	-184	318
Forecast Timing Changes (Annex C)	-9,294	-5,088	-4,206
Outturn	9,557	2,036	7,521

Comparison with Revised Budget used in MTP (February 2011)		
Revised 2010/11 Budget		7,133
Add back provision for slippage		1,444
Actual further Slippage		-1,095
Additional cost variations		-51
Additional Capital/Revenue variations		84
Roundings		6
Outturn		7,521

2.2 The table below shows how the expenditure was financed. Capital Reserves are now depleted and capital spending is funded from borrowing and any in-year Capital Receipts.

Funding

£000

Gross Spending	9,557
External Grants and Contributions	-2,036
Net Spending	7,521
FINANCING	
Borrowing	7,269
Capital Receipts	252

2.3 Annex A shows all the cost variations and schemes that have been identified with increased costs are shown below:

Cost Increases	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
Public Conveniences	12	0	12
Alconbury/Alconbury Weston Flood Works	19	0	19
Creative Enterprise Centre, St Neots	12	0	12
Transportation Schemes	10	0	10
Headquarters	110	0	110

2.4 The Public Conveniences work at South Street, St Neots was incurred in preparation of the sale of the site. This is likely to be recovered when the site is sold.

2.5 The Alconbury Flood works project is a scheme being project managed by the District Council and fully funded by the Environment Agency except for input from the Council's existing staff. This has amounted to £19k in 2010/11.

2.6 Final extra costs at the Creative Enterprise Centre after the drainage problems on site, reported last year, amounted to £12k.

2.7 Some of the Market Town Transport Schemes and Cycle Route Schemes, which were deleted from the Capital Programme for 2011/12, incurred minor overspends amounting to £10k in total.

2.8 The extra cost of the Headquarters project was reported as not being the final figure in last year's outturn report, and was still not finalised in February. The final figures were confirmed by our Project Managers (Lambert Smith Hampton) in April and have resulted in an additional cost of £110k (about 0.5% of the total build cost). It covers those elements of the scheme that were subject to final detailed agreement to achieve completion of the project. These were elements that, whilst predominantly accounted for in the overall project cost, inevitably required final adjustments before completion and included landscaping and post occupation items.

2.9 These extra costs can be met from the identified savings of £214k.

3. MONITORING OF THE 2011/12 CAPITAL PROGRAMME

3.1 The Budget approved in February 2011 started with £11.9m and forecast schemes brought forward of £1.4m and £1.5m carried forward to 2012/13. Subsequent adjustments are shown below:-

Capital Programme	2011/12 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Approved Total Budget (February 2011)	15,366	3,433	11,933
Actual brought forward from 2010/11	6,284	5,189	1,095
Less provision	-1,444	0	-1,444
	20,206	8,622	11,584
Forecast Cost Variations			
Building Efficiency Improvements	-17	0	-17
Current Forecast (See Annex D)	20,189	8,622	11,567

3.2 The revenue impact on the MTP of the 2010/11 outturn and subsequent variations is shown below.

Revenue Impact	2011/	2012/	2013/	2014/	2015/
	2012	2013	2014	2015	2016
	£000	£000	£000	£000	£000
Timing Changes 2010/11 to 2011/12	-62				
Cost Variations	-3	-4	-4	-4	-4
Timing Changes 2011/12 to 2012/13	0	0			
Revenue/Capital Transfers	4	4	4	4	4
TOTAL FORECAST VARIATION	-61	0	0	0	0

N.B. This table does not include an assessment of the change in revenue impact of the provision for debt repayment (MRP) for 2012/13 onwards at this stage. It will be assessed for the Financial Strategy report in September.

4. RECOMMENDATIONS

4.1 It is **RECOMMENDED** that Cabinet note the contents of this report.

BACKGROUND PAPERS

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

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ANNEX A

Cost Variations	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
New Bids – approved February 2011			
Alconbury / Alconbury Weston Flood Works	428	428	0
Perry Cycleway	60	60	0
	488	488	0
Variations – approved February 2011			
Air Quality Monitoring Equipment	3	7	-4
Public Conveniences	-249	-150	-99
Wheeled Bins for Recycling	11	0	11
Mobile Home Park	0	-168	168
Sustainable Homes	60	60	0
Housing Private Sector Grants	-30	0	-30
Disabled Facilities Grants	-48	-48	0
Decent Homes Grant	-88	-24	-64
Crime and Disorder Lighting	-50	0	-50
Ramsey Library Development	0	-120	120
St Neots Green Corridor	130	130	0
One Leisure – St Ives – Outdoor Energy Generation	-127	0	-127
Play Equipment & Safety Surface Renewal	108	108	0
Headquarters	90	0	90
Replacement Printing Equipment	-106	0	-106
Multi-Functional Devices	-18	0	-18
Replacement Scanning Equip – Customer Services	-36	0	-36
Business Systems	-50	0	-50
Server Virtualisation & Network Storage	-77	0	-77
ICT for New Accommodation	-31	0	-31
Government Connect	104	0	104
ICT Replacement	-175	0	-175
Vehicles and Plant	-35	0	-35
Huntingdon Marina Improvements	-62	0	-62
Heart of Oxmoor	0	-294	294
Huntingdon West Development	-1,400	-1,409	9
Huntingdon Bus Station	-888	0	-888
	-2,964	-1,908	-1,056
Variations since February			
St Ives Town Centre – Phase 2	-12	0	-12
Ramsey Library Development	-70	0	-70
Creative Enterprise Centre St Neots	12	0	12
Alconbury / Alconbury Weston Flood Works	19	0	19
Public Conveniences	12	0	12
Play Equipment & Safety Surface Renewal	-27	0	-27
Headquarters	110	0	110
VAT Exempt Capital	-60	0	-60
Business Systems	-28	0	-28
Leisure Centre's VOIP	-17	0	-17
Various Transportation Schemes	10	0	10
	-51	0	-51
	-2,527	-1,420	-1,107

ANNEX B

Capital/Revenue Variations	2010/11 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
CAPITAL/REVENUE VARIATIONS			
Wheeled Bins for Recycling	-13	0	-13
St Neots Green Corridor	102	0	102
Huntingdon Riverside Improvements	31	0	31
Headquarters	7	-184	191
Server Virtualisation	7	0	7
E-Forms	59	0	59
Elections System	-19	0	-19
Huntingdon Bus Station	24	0	24
Transportation Grant	13	0	13
Elections Equipment	16	0	16
Revenue Staff Charged to Capital	119	0	119
<i>Abortive Costs from Previous Years</i>			
St Ives Town Centre Improvements – Ph 2	-88	0	-88
Elections Replacement System	-33	0	-33
Huntingdon Marina improvements	-46	0	-46
Huntingdon Bus Station	-45	0	-45
	134	-184	318
	-2,522	-1,604	-918

ANNEX C

Timing Changes to 2011/12 and beyond	2010/11 Capital Expenditure			2011/12 ##
	Gross Budget	External Contributions	Net Budget	Net Budget
	£000	£000	£000	£000
Elections Equipment	-16	0	-16	16
Building Efficiency Improvements (Salix Grant)	-57	-65	8	37
Public Conveniences	-150	-150	0	0
Environment Strategy Funding	-47	0	-47	47
Sustainable Homes	15	0	15	0
Wheeled Bins for Recycling	-99	0	-99	99
Disabled Facilities Grants	35	0	35	-35
Social Housing Grant	-370	0	-370	370
Decent Homes Grant	0	-64	64	-64
CCTV – Camera Replacements	-159	0	-159	159
Community Information Project	-11	0	-11	0
Ramsey Library Development	-40	0	-40	40
Loves Farm Community Centre	8	0	8	-8
One Leisure – St Ives - Redevelopment	-2,500	0	-2,500	0
One Leisure – St Ives – Outdoor Football Imps	-1,223	-1,500	277	-277
One Leisure – St Neots - Development	0	0	0	-60
One Leisure – Ramsey – Fitness Equipment	-190	0	-190	0
One Leisure – CCTV Improvements	-15	0	-15	5
One Leisure – St Ives – Impressions Equipment	-37	0	-37	37
One Leisure – Future Maintenance	-958	-321	-637	637
Community Facilities Grants	18	0	18	20
Play Equipment & Safety Surface Renewal	-99	0	-99	60
Headquarters	0	-150	150	-150
Replacement Printing Equipment	-70	0	-70	0
Multi-Functional Devices	-21	0	-21	13
Replacement Document Centre Equipment	-29	0	-29	1
Business Systems	-101	0	-101	101
Working Smarter	-53	0	-53	13
Wireless Working (Benefits and Revenues)	-24	0	-24	0
Server Virtualisation and Network Storage	-74	0	-74	74
Government Connect	-74	0	-74	74
VOIP Telephony for Leisure Centres	-30	0	-30	30
ICT Replacement	-108	0	-108	108
E-Forms	-52	0	-52	52
Vehicles and Plant	-180	0	-180	180
Town Centre Developments	-21	0	-21	5
Ramsey Rural Renewal	-62	0	-62	62
Industrial Estate Repairs	-8	0	-8	-8
Huntingdon Town Centre Development	2	0	2	0
Heart of Oxmoor	0	-1,535	1,535	-1,366
Huntingdon West Development	-1,303	-1,303	0	0
Huntingdon Bus Station New Layout	-21	0	-21	21
St Neots Cambridge Road Car Park	-89	0	-89	9
Huntingdon Town Centre, Extra Car Parking	-90	0	-90	90
Safe Cycle Routes	-262	0	-262	68
St Neots Pedestrian Bridges	-501	0	-501	501
Ramsey Transport Strategy	-40	0	-40	5
Railway Stations Improvements	-42	0	-42	16
Perry Cycleway	36	0	36	-36
VAT Partial Exemption	-182	0	-182	149
	-9,294	-5,088	-4,206	1,095

The 2011/12 column shows the additional variations that were not already included in the current approved MTP.

ANNEX D

FORECAST CAPITAL SPENDING 2011/12	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Elections Equipment	16	0	16
Building Efficiency Improvements (Salix Grant)	141	66	75
Alconbury/Alconbury Weston Flood Mitigation Works	178	178	0
Public Conveniences	150	150	0
Environment Strategy Funding	102	0	102
Sustainable Homes	0	485	-485
Wheeled Bins for Recycling	256	0	256
Repairs Assistance Grants	100	0	100
Disabled Facilities Grants	1,365	600	765
Social Housing Grant	370	0	370
Decent Homes Grant	180	244	-64
CCTV – Camera Replacements	159	0	159
Community Information Project	11	0	11
Ramsey Library Development	40	0	40
Loves Farm Community Centre	37	0	37
One Leisure – St Ives - Redevelopment	2,500	0	2,500
One Leisure – St Ives – Outdoor Football Imps	1,223	1,500	-277
One Leisure – Replace Fitness Equipment (Ram/Saw)	400	0	400
One Leisure – Reception Automation (Ram/Saw)	60	0	60
One Leisure – CCTV Improvements	15	0	15
One Leisure – St Ives – Impressions Equipment	37	0	37
One Leisure – Future Maintenance	1,631	318	1,313
Community Facilities Grants	20	0	20
Play Equipment & Safety Surface Renewal	110	0	110
Headquarters	2	150	-148
Multi-Functional Devices	58	0	58
Replacement Document Centre Equipment	79	0	79
Business Systems	326	0	326
Working Smarter	53	0	53
Wireless Working (Benefits and Revenues)	24	0	24
Server Virtualisation and Network Storage	197	0	197
Government Connect	86	0	86
VOIP Telephony for Leisure Centres	30	0	30
ICT Replacement	295	0	295
E-Forms	52	0	52
Vehicles and Plant	731	0	731
Town Centre Developments	215	0	215
Ramsey Rural Renewal	62	0	62
Industrial Estate Repairs	8	0	8
Huntingdon Town Centre Development	12	0	12
Heart of Oxmoor	0	1,366	-1,366
Huntingdon West Development	8,038	3,315	4,723
Huntingdon Bus Station New Layout	61	0	61
St Neots Cambridge Road Car Park	89	0	89
Car Park Repairs	86	0	86
Huntingdon Town Centre, Extra Car Parking	990	0	990
Safe Cycle Routes	68	0	68
St Neots Pedestrian Bridges	501	0	501
Ramsey Transport Strategy	5	0	5
Railway Stations Improvements	42	0	42
Perry Cycleway	214	250	-36
VAT Partial Exemption	331	0	331
Recharges Revenue/Capital	-67	0	-67
Provision for carry forward to 2012/13	-1,500	0	-1,500
	20,189	8,622	11,567