

**FINANCIAL MONITORING - CAPITAL PROGRAMME 2011/12
(Report by the Head of Financial Services)**

1. PURPOSE

1.1 This report highlights the forecast variations from the 2011/12 Capital Programme approved in February 2011. It includes any member or officer decisions already taken in accordance with the Code of Financial Management.

2. MONITORING OF THE 2011/12 CAPITAL PROGRAMME

2.1 The Budget approved in February 2011 was £11.9m after allowing for provisions for schemes brought forward from 2010/11 and carried forward to 2012/13. Subsequent adjustments are summarised 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
Supplementary Estimate			
Disabled Facilities Grant	401	-148	549
Forecast Cost Variations (Annex A)	-283	456	-739
Forecast Timing Changes (Annex B)	-11,586	-5,070	-6,516
Revenue to Capital Variations	266	0	266
Current Forecast	9,004	3,860	5,144

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

3. SIGNIFICANT ITEMS

3.1 **Disabled Facilities Grants** Cabinet approved a supplementary estimate at its September meeting to ensure that no applications would need to be delayed because of budgetary constraints. The figures shown above are based on actual spending to date together with the latest forecast of what will be spent in the rest of the year. All of the remaining cases, currently in the pipeline, are being progressed with the expenditure for many of them expected to fall into the next financial year. The lower forecast is

predominantly due to OT referrals having fallen by 20% since August.

- 3.2 **Cambridge Street Car Park, St Neots** This has been rephased to 2012/13 pending an agreement on the provision and management of the car park proposed for a cinema on this site.
- 3.3 **PV Panel Installations** This report excludes the proposed PV panel Invest to Save schemes at Eastfield House and other council properties pending submission to COMT of revised project appraisals and risk assessments. It may well prove that schemes with adequate pay-back can still be achieved due to lower panel costs. If this is the case there may still be capital expenditure on the Eastfield House scheme in the current year.
- 3.4 **VAT Partial Exemption** The amount of VAT that cannot be claimed back due to exempt supplies has been rephased because of the timing changes to the relevant schemes.
- 3.5 **Revenue to Capital Transfer** Where appropriate, such transfers will be undertaken as they provide a beneficial revenue impact.

4. REVENUE IMPACT

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

Revenue Impact	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
	£000	£000	£000	£000	£000
Timing Changes 2010/11 to 2011/12	12	0	0	0	0
Cost Variations	-1	-18	-21	-24	-26
Timing Changes 2011/12 to 2012/13	-33	-144	0	0	0
Revenue/Capital Transfers	-126	26	29	33	37
Revenue variations re timing changes	-20	127	-77	-170	-211
TOTAL FORECAST VARIATION	-168	-9	-69	-161	-200

Notes: This table uses a simplified basis for identifying the revenue impact of capital expenditure. Allowance has also been made for any revenue elements of the changes as identified in the relevant MTP bid proposals - some of these are not just due to rephasing with some significant extra income being identified on leisure schemes. More accurate calculations will be included in the final Budget/MTP in February.

5. RECOMMENDATIONS

- 5.1 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.

Contact Officer – Steve Couper ☎ 01480 388103

ANNEX A

Forecast Cost Variations	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Savings			
Building Efficiency Improvements	-17	0	-17
Wheeled Bin Replacements	-99	0	-99
Alconbury Flood Scheme	-31	-31	0
Town Centre Developments	-5	0	-5
Mortgage Redemption	0	549	-549
HQ Project	-2	0	-2
ICT Replacement & Server Virtualisation	-35	0	-35
Business Systems	-110	0	-110
Public Conveniences	-150	-150	0
Community Facilities Grants	-20	0	-20
	-469	368	-837
Extra Cost			
Sustainable Homes Retrofit	85	15	70
Vehicle Replacement Programme	11	0	11
	96	15	81
Invest To Save Schemes			
South Street Toilets	5	0	5
Mobile Home Park	0	73	-73
Call Centre CRM	20	0	20
	25	73	-48
Technical			
Rule Change to Capital Overheads	117	0	117
Brought Forward Adjustment	-52	0	-52
	65	0	65
TOTAL COST VARIATIONS	-283	456	-739

New item this time
No change from previous report
Adjusted value this time

ANNEX B

Timing Changes to 2012/13 and beyond	2011/12 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Heart of Oxmoor	0	-1,366	1,366
Huntingdon West Development	-7,153	-2,430	-4,723
One Leisure St Ives Redevelopment	-2,950	0	-2,950
One Leisure Future Maintenance	-453	0	-453
Replacement Fitness Equipment	-77	0	-77
One Leisure Ramsey Development	-560	0	-560
CCTV Camera Replacements	-139	0	-139
Decent Homes	-148	-212	64
Social Housing Grant	-237	0	-237
Sustainable Homes Retrofit	0	-415	415
HQ Project	0	-150	150
ICT Replacement & Server Virtualisation	-7	0	-7
Working Smarter	-23	0	-23
Replacement Equipment Document Centre	-76	0	-76
One Leisure St Ives Football Improvements	-254	-497	243
Ramsey Rural Developments	-62	0	-62
Multi-Functional Devices	-48	0	-48
Industrial Estates Repairs	-8	0	-8
Cambridge Street Car Park	-89	0	-89
Railway Station Improvements	-20	0	-20
VAT Partial Exemption	-128	0	-128
Reduction in provision for further slippage	846	0	846
	-11,586	-5,070	-6,516

New item this time
No change from previous report
Adjusted value this time