

HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Financial Monitoring – Capital Programme 2013/14  
**Meeting/Date:** Cabinet – 13 February 2014  
**Executive Portfolio:** Resources, Councillor J A Gray  
**Report by:** Assistant Director (Finance and Resources)  
**Ward(s) affected:** All Wards

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**Executive Summary:**

This report highlights the forecast variations from the 2013/14 Capital Programme approved in February 2013. It also includes any member or officer decisions already taken in accordance with the code of Financial Management.

It is based on information available up to the end of December and includes variations which will form part of the revised MTP.

The total forecast variations are;

<b>Capital Variation</b>	<b>2013/14 £000</b>
Net Additional Costs	
Huntingdonshire Regional College Loan	1,500
Other	507
Revenue Transfer to Capital	75
Timing Changes to 2014/15	(122)
<b>Total Variation</b>	<b>1,960</b>

The main reason for the increase from £383,000 reported in November is the capitalisation of the £1.5m loan to Huntingdonshire Regional College.

The revenue impacts are:

<b>Revenue Impact</b>	<b>2013/ 2014</b>	<b>2014/ 2015</b>	<b>2015/ 2016</b>	<b>2016/ 2017</b>	<b>2017/ 2018</b>
	£000	£000	£000	£000	£000

**Recommendation:**

It is recommended that Cabinet note the contents of this report.

## 1. MONITORING OF THE 2013/14 CAPITAL PROGRAMME

- 1.1 The Budget approved in February 2013 was £8.9m after allowing for a provision for schemes brought forward from 2012/13 and carried forward to 2013/14. Subsequent adjustments are summarised below:-

Capital Programme	2013/14 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
<b>Approved Total Budget (February 2013)</b>	<b>17,869</b>	<b>9,006</b>	<b>8,863</b>
Add brought forward from 2012/13	3,017	1,810	1,207
Less provision	(500)	0	(500)
	<b>20,386</b>	<b>10,816</b>	<b>9,570</b>
<b>Forecast Cost Variations (Annex A)</b>	<b>(1,593)</b>	<b>(3,600)</b>	<b>2,007</b>
<b>Revenue/Capital Variations (Annex A)</b>	<b>75</b>	<b>0</b>	<b>75</b>
<b>Forecast Timing Changes (Annex B)</b>	<b>(1,763)</b>	<b>(1,641)</b>	<b>(122)</b>
	<b>17,105</b>	<b>5,575</b>	<b>11,530</b>
<b>November Report Forecast</b>	12,130	2,177	9,953
<b>Variations this time</b>	4,975	3,398	1,577

## 2. SIGNIFICANT ITEMS

### 2.1 Savings Items

#### **Heart of Oxmoor (-£39,000)**

The income received was higher than expected because of a favourable movement in the indexation factor by which it was updated.

### 2.2 Extra Cost

#### **Loan to Huntingdonshire Regional College (£1.5m)**

A report to Cabinet on the 20<sup>th</sup> June 2013 detailed a request from Huntingdonshire Regional College for a loan of 10 years duration, to fund expansion of their facilities. Cabinet approved the loan on the basis that the Treasury Management Strategy 2013/14 provided for such loans to be made up to a maximum of £25m.

The loan was funded by borrowing £1.5m for 10 years from the Public Works Loan Board.

#### **St Neots Railway Station Enhancements (net nil)**

This scheme is to provide enhanced and redeveloped station facilities at St Neots. The £3.4m scheme is being funded by a number of partners

including, as well as the Council, The Department for Transport, First Capital Connect and Cambridgeshire County Council S106 receipts, with a £94,000 contribution from this Council funded from a reduction in the Town Centre Development scheme (see below).

## 2.3 Timing Changes

### Town Centre Developments (-£115,000)

The slippage on this scheme has reduced by £94,000 since last reported because of the intention to make a contribution to the St Neots Railway Station enhancements scheme.

### Private Sector Housing Grants (-£62,000)

The slippage on this scheme to provide grants for disabled adaptations, has increased by £30,000 since last reported, because although grants have been committed they are unlikely now to complete before the end of 2013/14.

### Salix Projects (-£42,000)

Slippage has resulted from delays due to the undertaking of more complicated but more cost effective procurements.

## 2.5 Revenue/Capital Transfers

Where appropriate, such transfers will be undertaken as they provide beneficial revenue impact.

## 3 REVENUE IMPACT

3.1 The revenue impact on the MTP of the 2012/13 outturn and subsequent variations is shown below.

Revenue Impact	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018
	£000	£000	£000	£000	£000
Timing Changes 2012/13 to 2013/14	(47)	0	0	0	0
Cost Variations	4	23	25	27	26
Timing Changes 2013/14 to 2014/15	(1)	(12)	0	0	0
Revenue/Capital Transfers	(74)	8	9	9	9
Revenue variations - Timing changes \$	62	71	8	8	(7)
<b>TOTAL FORECAST VARIATION</b>	<b>(56)</b>	<b>90</b>	<b>42</b>	<b>44</b>	<b>28</b>

*\$ The main item is delay on the Multi-storey car park and the associated income*

*N.B. This table is based on a simplified approach 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.*

#### **4 PROJECT REVIEWS**

- 4.1 Reports will be presented on the two schemes with significant increases, One Leisure St Ives Redevelopment and Multi-Storey Car Park, once the final position is established.

#### **BACKGROUND PAPERS**

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

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## ANNEX A

<b>Forecast Cost Variations</b>	<b>Gross Budget</b>	<b>External Contributions</b>	<b>Net Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Savings</b>			
Printing Equipment	(45)	0	(45)
Wheeled Bin Replacements	(24)	0	(24)
Wheeled Bins For New Properties	(119)	0	(119)
District Heating	(30)	0	(30)
Huntingdon West Development	(6,660)	(6,637)	(23)
Disabled Facilities Grants	0	57	(57)
Decent Homes	(31)	0	(31)
Rural Renewal	(63)	0	(63)
Perry Cycleway	(9)	0	(9)
Flail Mower	(2)	0	(2)
Mobile Working	(5)	0	(5)
Heart of Oxmoor	0	39	(39)
VAT Partial Exemption	(4)	0	(4)
	<b>(6,992)</b>	<b>(6,541)</b>	<b>(451)</b>
<b>Extra Cost (Invest to Save)</b>			
CCTV Wireless Upgrade	40	0	40
Pool Vehicles	60	0	60
<b>Extra Cost (Other)</b>			
Extra Car Parking Huntingdon	119	(250)	369
One Leisure St Ives Redevelopment	321	(168)	489
	<b>540</b>	<b>(418)</b>	<b>958</b>
<b>Externally Funded Scheme</b>			
St Neots Railway Station Enhancements	<b>3359</b>	<b>3359</b>	<b>0</b>
<b>Funding For Local Organisations</b>			
Huntingdonshire Regional College Loan	<b>1,500</b>	<b>0</b>	<b>1,500</b>
<b>TOTAL COST VARIATIONS</b>	<b>(1,593)</b>	<b>(3,600)</b>	<b>2,007</b>
<b>Revenue to Capital Transfers</b>			
Mobile Home Park Caravan	30	0	30
Flail Mower	12	0	12
Wheeled Bins	22	0	22
Call Centre Replacement	11	0	11
<b>CAPITAL/REVENUE TRANSFERS</b>	<b>75</b>	<b>0</b>	<b>75</b>

<b>New item this time</b>
<b>No change from previous report</b>
<b>Adjusted value this time</b>

**ANNEX B**

TIMING CHANGES TO 2014/15 AND BEYOND	2013/14 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Environmental Strategy	(50)	0	(50)
Sustainable Homes (Green Houses)	0	(415)	415
Camera Replacements	36	0	36
Vehicle Fleet Replacements	(191)	0	(191)
Disabled Facilities Grants	(512)	0	(512)
Loves Farm Community Centre	(550)	(513)	(37)
One Leisure St Ives s106	0	(53)	53
Replacement Fitness Equipment	(280)	0	(280)
Pathfinder House Site	0	(420)	420
Multi-functional Devices	(80)	0	(80)
Document Centre Equipment	(48)	0	(48)
Chequers Court Public Realm	(240)	(240)	0
Charges for Second Green Bin	12	0	12
Private Sector Housing Grants	(62)	0	(62)
Play Equipment	(21)	0	(21)
Business Systems General	(20)	0	(20)
Town Centre Developments	(115)	0	(115)
Deferred Schemes Provision	400	0	400
Salix Projects	(42)	0	(42)
	<b>(1,763)</b>	<b>(1,641)</b>	<b>(122)</b>

<b>New item this time</b>
<b>No change from previous report</b>
<b>Adjusted value this time</b>