

**WILTSHIRE COUNCIL**

**CABINET CAPITAL ASSETS COMMITTEE**

**19 April 2011**

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**Subject: Capital Budget Monitoring 2010-11**

**Cabinet Member: Councillor Fleur de Rhe-Philippe, Finance,  
Performance and Risk**

**Key Decision: No**

**Executive Summary**

The report reflects the position of the 2010-11 capital programme as at 28 February 2011.

The report also details budget changes which are to be noted by Cabinet.

**Proposal**

- a) To note the current position of the 2010-11 capital programme.
- b) Note the budget changes in section 1 of Appendix B.
- c) Note the additional reprogramming of budgets in section 2 of Appendix B.
- d) Note the detailed allocation of Highways spending in 2011/12.

**Reasons for Proposals**

To inform cabinet of the current position of the 2010-11 capital programme.

**Michael Hudson**

Interim Chief Finance Officer

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Finance, Performance and Risk

**Key Decision:** No

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#### Purpose of Report

1. To update Cabinet Capital Assets Committee on the position of the Capital Programme as at 28 February 2011.

#### Background

2. Since the last meeting the budget has been adjusted as follows;

	£m	Notes
<b>2010-11 Capital budget (as per CCAC 7 February 2011)</b>	<b>167.314</b>	
Budget adjustments awaiting Cabinet approval since February's meeting (CFO Delegations)	2.399	Net budget adjustments as detailed in Appendix B of this report.
Re-profiling of budgets from 2010/11 to 2011/12 as identified as part of 2011/12 Capital Programme budget setting report	(43.014)	Reprogramming approved as part of 2011/12 budget report.
Re-profiling of budgets from 2010/11 to 2011/12 identified as part of this report	(7.366)	Reprogramming as detailed in Appendix B of this report.
Capitalisation of Redundancy costs under directive from Secretary of State	1.462	As approved in February 2011 report.
Reduction of Devolved Formula Capital	(0.299)	Reduction in budget to match 2010/11 grant allocation.
<b>Revised Capital budget 2010-11</b>	<b>120.496</b>	

#### Summary of Current Position

3. The major re-profiling of schemes undertaken as part of the budget setting for the next four years capital programme and during the normal budget monitoring since the last report has identified just over £50 million to be re-profiled into later years. This has now been fully reflected in the revised capital budget.

4. The financial position of the 2010-11 capital programme is summarised below.

<b>Department</b>	<b>Revised 2010-11 Budget £m</b>	<b>Actual Spend as at 28 Feb 2011 £m</b>	<b>Forecast Outturn £m</b>	<b>Full Year Projected Variance* £m</b>
Children & Education	51.733	37.667	51.733	0.000
Resources	24.733	18.132	24.733	0.000
Neighbourhood & Planning	41.704	32.413	41.694	(0.010)
Community Services	2.326	0.319	2.326	0.000
<b>Total</b>	<b>120.496</b>	<b>88.531</b>	<b>120.486</b>	<b>(0.010)</b>

\* Underspends are shown in brackets

5. A breakdown of the position for individual schemes within the capital programme can be seen in appendix A.
6. The variance on the full year projection is £0.010 underspend. This is after the reprogramming of schemes from 2010/11 to 2011/12.
7. There is a minor underspend of £0.032m forecast on the Waste Management budget line as a result of the Monument Hill Reed Bed scheme costing less than originally anticipated.
8. The Tidworth Castledown budget line is reporting a forecast underspend of £0.166m with the scheme costing less than originally anticipated.
9. The Road Maintenance budget line is currently forecasting costs of £0.187m in excess of its budget. Budget Managers expect to cover the higher than anticipated costs with virements from other highways budgets to ensure no overspend is realised at year end. The virement will be actioned in future reports.

#### **Highways Capital Funding Allocation 2011/12**

10. The Council approved in the Capital Programme for 2011/12 £18.952 million for Highways schemes, which would be funded from various resources, mainly LTP Government grant funding.
11. Work has been undertaken to analyse this area of spending further to give greater clarity. The table below shows the proposal for the budget to be allocated against the areas of expenditure.

<b>Highways Allocation</b>	<b>£ million</b>
Integrated Transport	2.501
Structures	3.500
Major maintenance	1.750
Minor improvements	0.350
Road surfacing	9.310
Road drainage	0.700
Footways	0.250
Other assets, lighting etc	0.350
Land compensation	0.241
<b>Total Highways Spending 2011/12</b>	<b>18.952</b>

12. In addition to the above the Government has announced additional funding to help deal with Winter Maintenance. The amount allocated at a national level was recently doubled at the budget announcement and the level of award to Wiltshire for 2011/12 will be £3.7 million. The details of the schemes to be carried out will be posted on the Councils website.

### **Main Considerations for the Council**

- a) To note the current financial position of the 2010-11 Capital Budget.
- b) To note the budget changes in section 1 of Appendix B.
- c) To note the additional reprogramming of budgets in section 2 of Appendix B
- d) To note the detailed allocation of Highways Spending in 2011/12

### **Environmental Impact of the Proposal**

13. Wiltshire Council is preparing for its mandatory inclusion to the Carbon Reduction Commitment (CRC). The CRC is the UK's mandatory climate change and energy saving scheme, due to commence in April 2010. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It's calculated that 79% of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint.

### **Equality and Diversity Impact of the Proposal**

14. No equality and diversity issues have been identified arising from this report

### **Risk Assessment**

15. The capital budget for 2010-11 has a number of potential risks arising from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the monthly reporting process. Members may wish to bear in mind that the capital programme has been set for three years and therefore risks will be appraised over the whole period (2010-11 through to 2012-13).

### **Financial Implications**

16. These have been examined and are contained within the report.

### **Legal Implications**

17. There are no legal implications arising from this report.

**Michael Hudson**  
Interim Chief Finance Officer

Report Author: Lloyd Brown

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Unpublished documents relied upon in the preparation of this report: NONE  
Environmental impact of the recommendations contained in this report: NONE