

Wiltshire Council

Cabinet

20 April 2010

Subject : **Capital Budget Monitoring: April 2009 to February 2010**

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

Key Decision: **No**

Executive Summary

The report reflects the position of the Capital Budget as at the end of February 2010.

There is a projected variation of £3.296m against the full year budget for 2009/10.

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

Proposal

That Cabinet:

- a.) note the current financial position of the 2009/10 Capital Budget and
- b.) note the budget changes in sections 1 and 2 of Appendix B.

Reasons for Proposals

To inform cabinet of the current financial position of the 2009/10 capital budget and to identify schemes within the programme where expenditure is not progressing as anticipated.

Martin Donovan
Chief Finance Officer

Wiltshire Council

Cabinet

20 April 2010

Subject : Capital Budget Monitoring: April 2009 to February 2010

Cabinet Member: Councillor Fleur de Rhé-Philippe – Finance, Performance and Risk

Key Decision: No

Purpose of Report

1. To update Cabinet of the position of the Capital Programme after 11 Months (1st April 2009 to 28th February 2010) of the 2009/10 financial year.

Background

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

	£m	Notes
Capital budget (as at 26th January 2010)	129.254	
<i>Budget amendments;</i>		
Budget adjustments awaiting Cabinet approval in April's meeting (CFO Delegations)	-7.471	Net budget adjustments as detailed in Appendix B of this report.
Capital budget 2009/10	121.783	

3. Appendix B to the report contains budget adjustments which Cabinet are asked to note (Section 1 and 2).

Summary of Current Position

4. The financial position of the 2009/10 capital budget is summarised below;

Department	Budget 09/10 £m	Actual Spend as at end of Period 11 £m	Projected Outturn for the year £m	Full Year Projected Variance* £m
Children & Education	61.771	44.674	61.601	-0.170
Resources	13.929	11.229	13.929	-
Transport, Environment and Leisure	32.936	23.828	30.780	-2.156
Economic Development, Planning and Housing	11.530	8.651	10.599	-0.931
Community Services	1.617	1.081	1.578	-0.039
Total:	121.783	89.463	118.487	-3.296

* A negative variance indicates a underspend

5. A breakdown of the position of schemes within the capital programme can be seen in appendix A.
6. The variance on the full year projection is driven mainly by the need for schemes to be reprogrammed. Of the £3.296 projected underspend, £2.998m relates to reprogramming of expenditure and £0.348m has been identified as an underspend; the variance is reduced slightly by small projected overspends on various schemes. This is reflected in Appendix A.
7. Various comments on schemes are included below;
- 7.1 Local Transport Plan – Integrated Transport

The scheme is currently showing a forecasted variance of £0.906m against the 2009/10 budget, an increase variance since last month (projected variance in March report to cabinet of £0.840m). This variance is made up from delays on a number of schemes within the

budget and requires the reprogramming of expenditure. The budget will be reprofiled to move the variance into 2010/11 budget.

7.2 Local Transport Plan – Maintenance of Principal/Non Principal roads

The majority of the £0.644m forecasted variance relates to the Pewsey Road Scheme which experienced delays and is confirmed will not start until the new financial year. As a result the budget will be reprofiled to move funds into the 2010/11 financial year.

7.3 Major Highways Improvements

The forecasted variance (£0.648m) is made up of £0.300m slippage relating compensation agreements which have not progressed as anticipated. The budget will be reprofiled to reflect this. The remaining £0.348m variance is an identified underspend against the budget. Last month's report requested Members approve the underspend be used to fund purchase of highways vehicles. If approved the £0.348 underspend will be transferred to the appropriate budget.

7.4 Aiming High for Disabled Children

It was highlighted earlier in the financial year that a large element of the grant will not be spent in 2009/10 and be required to be slipped into 2010/11. The forecast spend for this financial year is £0.030m. The budget will be reprofiled to move remaining grant into 2010/11.

7.5 Disabled Facilities Grant

The scheme is currently showing a forecasted variance of £0.250m against the £2.650m budget in 2009/10. The budget covers providing grants to help disabled people adapt their properties to ensure they remain accessible. The variance is highlighted as slippage and the budget will be reprofiled to move funds into 2010/11.

7.6 Tidworth Castledown

It was identified in last month's report that the scheme has experienced delays and as a result not all of the 2009/10 budget will be spend prior to the end of the 2009/10 financial year. Currently it is forecasted that £0.671m of the £1.037m will be spent this financial year. The remaining budget is to be reprogrammed into 2010/11.

Main Considerations for the Council

- a) To note the current financial position of the 2009/10 Capital Budget.
- b) To note the budget changes in section 1 and 2 of Appendix B.

Environmental Impact of the Proposal

9. 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. The budget setting process for the 2010-11 is assessing the perceived impact of schemes on the Council's carbon footprint and using this as part of the basis to form a decision on the 2010-11 budget.

Equality and Diversity Impact of the Proposal

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

Risk Assessment

11. The capital budget for 2009/10, as detailed in this report, is approximately £122 million. Robust project management is employed in order to ensure projects are effectively managed.

Financial Implications

12. These have been examined and are implicit throughout the report

Legal Implications

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

Martin Donovan

Chief Finance Officer

Report Author: Lloyd Brown

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

Appendices :

Appendix A – Capital budget monitoring statement

Appendix B – Budget changes

APPENDIX A



CAPITAL BUDGET MONITORING STATEMENT: APRIL 2009 TO FEBRUARY 2010

SCHEME NAME	DEPARTMENT	2009/10 BUDGET	SCHEME SPEND AT THE END OF PERIOD 11 £
Wellington Academy	DCE	7,533,000	6,648,354
Salisbury Academy	DCE	353,000	16,419
Extended Schools	DCE	1,571,066	595,222
Additional Accommodation	DCE	1,941,501	624,044
Access and Inclusion	DCE	711,820	506,212
NDS 07/08 & 09/10	DCE	2,752,170	2,481,175
NDS Modernisation	DCE	4,663,010	4,297,842
Devolved formula Capital	DCE	9,898,000	8,373,022
DCSF Primary Capital programme	DCE	892,610	439,801
Melksham Oak School	DCE	18,580,830	13,515,305
Other DCSF Initiatives	DCE	270,000	267,420
Targeted Capital Food Technology General	DCE	80,000	20,886
Targeted Capital School Kitchens General	DCE	745,000	745,427
Other Projects New Schools	DCE	347,301	242,295
Other Schools Projects - Expansions	DCE	1,580,150	1,008,499
Other Schools Projects - Replacements	DCE	1,045,880	199,362
DCSF Specialist Schools	DCE	650,000	650,000
DCSF 14-19 Diplomas reforms	DCE	300,000	250,580
DCSF Information System Parents & Providers	DCE	31,000	34,930
Sure Start early years	DCE	7,297,934	3,509,657
Aiming High for Disabled Children	DCE	205,000	95
Youth Projects	DCE	321,750	247,244
SUBTOTAL:		61,771,022	44,673,791
BMP/SAP	DOR	1,452,000	0
ICT Hardware	DOR	751,000	739,384
LPSA PRG (Resources)	DOR	31,250	31,250
OWTP	DOR	11,612,430	10,458,153
Area Boards	DOR	82,200	0
Other DOR Initiatives	DOR	0	0
SUBTOTAL:		13,928,880	11,228,787

SCHEME NAME	DEPARTMENT	2009/10 BUDGET	SCHEME SPEND AT THE END OF PERIOD 11 £
LTP – Integrated Transport	TEL	5,003,000	3,370,262
Buildings repair & Maintenance	TEL	3,016,180	1,277,342
DDA Works	TEL	133,000	57,056
LTP – Maintenance of Principal/N on Principal roads	TEL	12,280,000	9,801,594
Additional Highway Maintenance	TEL	1,964,000	464,965

**CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES
WITHIN THE CAPITAL PROGRAMME**

Month:
 Financial Year:

SECTION 1 - DELEGATED CFO POWERS

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme i.e. Additional resources available in the form of Grant, Section 106 contributions etc,etc which fund the addition, "

Project Name: Other School Projects - Replacements
Budget Change:

2009/10	2010/11	2011/12
14,500		

Funding Source: School Contribution
Description: Increased funding for East Melksham School provision element of budget through a contribution from the School.

Project Name: Additional Highway Maintenance
Budget Change:

2009/10	2010/11	2011/12
319,000		

Funding Source: Grant
Description: Increased Asset Management funding received from Department of Transport.

Project Name: Sure Start, Early Years
Budget Change:

2009/10	2010/11	2011/12
20,000		

Funding Source: Other Contributions
Description: Increased School Contribution towards a refurbished mobile on school grounds for wraparound childcare and pre school facilities.

Project Name: Extended Schools
Budget Change:

2009/10	2010/11	2011/12
70,000		

Funding Source: Other Contributions
Description: Increased School Contribution towards refurbishment of caretakers bungalow and towards a joint project to create new entrance/reception and extended schools hub facilities.

SECTION 2 - DELEGATED CFO POWERS

"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"

Project Name: LPSA Performance Reward Grant, DCE and Resources
Budget Change:

2009/10	2010/11	2011/12
-150,420	150,420	

Funding Source: Grant
Description: Capital budget allocated to the Department for Children & Education and Department of Resources is being reprofiled to allowed expenditure to occur in 2010/11. The budget is funded by the Performance Reward Grant achieved by Wiltshire Council under the Local Public Service Agreement (LPSA).

Project Name: Malmesbury Skatepark
Budget Change:

2009/10	2010/11	2011/12
-36,950	36,950	

Funding Source: Other Contributions
Description: Due to planning issues the scheme has not progressed as anticipated. The scheme is ongoing and requires the uncommitted budget in 2009/10 to be made available in 2010/11.

Project Name: Leisure & Amenities
Budget Change:

2009/10	2010/11	2011/12
-50,000	50,000	

Funding Source: Capital Receipts and Revenue Contributions
Description: Work on replacing fuel tanks at Chuchfields depot Salisbury has not progressed as anticipated. The budget is to be reprogrammed to allow the majority of work to take place in the 2010/11 financial year.

Project Name: Wellington Academy
Budget Change:

2009/10	2010/11	2011/12
-130,000	130,000	

Funding Source: Unsupported Borrowing
Description: The reprogramming of expenditure relates to a delay in the off site works of the Wellington Academy scheme.

Project Name: Economic Development
Budget Change:

2009/10	2010/11	2011/12
-1,429,000	1,429,000	

Funding Source: Various funding sources
Description: The Economic Development budget is made up a number of smaller schemes. Some of the schemes have experienced delays and as a result require budget to be reprogrammed into 2010/11.

Project Name: Highways Depot and Office Strategy
Budget Change:

2009/10	2010/11	2011/12
-485,000	485,000	

Funding Source: Capital Receipts & Other Contributions
Description: Scheme has experienced delays due and start date for work at Marlborough Depot has been rescheduled to start in the 2010/11 financial year. The budget is being reprogrammed accordingly.

Project Name: Libraries Heritage Arts Minor Capital Works
Budget Change:

2009/10	2010/11	2011/12
-10,000	10,000	

Funding Source: Other Contributions
Description: Simple recashflowing of £10k budget relating to Wiltshire & Heritage Centre from 2009/10 to 2010/11

Project Name: Other DOR Initiatives
Budget Change:

2009/10	2010/11	2011/12
-34,000	34,000	

Funding Source: Capital Receipts
Description: The budget relates to professional fees associated with Cotswold Community Archaeology project. Expenditure has been delayed and as a result the budget is being reprofiled to make budget available in 2010/11

Project Name: Additional Accommodation
Budget Change:

2009/10	2010/11	2011/12
-1,345,269	1,345,269	

Funding Source: Other Contributions and Supported Borrowing
Description: Schemes at Chapmanslade and Pembroke Park schools have experienced delays and will not start until the new financial year. Budget is being reprofiled accordingly.

Project Name: Access and Inclusion
Budget Change:

2009/10	2010/11	2011/12
-541,180	541,180	

Funding Source: Supported Borrowing
Description: A number of individual school schemes within the access and inclusion budget have experienced delays and expenditure is expected to occur in 2010/11. Budget is being reprofiled accordingly.

Project Name: DCSF Targeted Capital 14-19 SEN
Budget Change:

2009/10	2010/11	2011/12
-300,000	300,000	

Funding Source: Grant
Description: All projects covered by the grant now have an anticipated start date in 2010/11. The whole of the budget is being reprofiled to move the £300,000 into 2010/11.

Project Name: Targeted Capital Food Technology General
Budget Change:

2009/10	2010/11	2011/12
-80,000	80,000	

Funding Source: Grant
Description: A scheme at Bishops Wordsworth school has experienced planning delays and requires budget to be slipped into 2010/11. A scheme at Downlands school is now programmed to start in 2010/11. The budget is being reprofiled accordingly.

Project Name: Other Projects New Schools
Budget Change:

2009/10	2010/11	2011/12
-1,747,719	1,747,719	

Funding Source: Developer Contributions
Description: A number of schemes within the budget have been delayed due to problems with developer contributions from Housing development. As a result the schemes have been delayed and budgets are being reprogrammed from 2009/10 to 2010/11.

Project Name: Other Schools Projects - Expansions
Budget Change:

2009/10	2010/11	2011/12
-904,920	904,920	

Funding Source: Capital Receipts and Other Contributions
Description: Various schemes within the budget are managed by the schools themselves. The schools have indicated that expenditure will occur in 2010/11 and so the budget is being reprogrammed.

Project Name: DCSF 14-19 Diplomas reforms
Budget Change:

2009/10	2010/11	2011/12
-700,000	700,000	

Funding Source: Grant
Description: The majority of the expenditure is planned to occur in 2010/11. The budget is being reprofiled to remove budget into 2010/11.

Project Name: Sure Start, Early Years
Budget Change:

2009/10	2010/11	2011/12
50,000	-50,000	

Funding Source: Grant
Description: £35000 2010/11 budget transferred from Play Builder Everleigh and Broad Hinton and £15000 2010/11 budget to be allocated from Play Builder General to fund Play Builder Wootton Bassett.

SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"

Project Name:
Budget Change:

2009/10	2010/11	2011/12

Funding Source:
Description:

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

CHIEF FINANCE OFFICER: Martin Donovan

SIGNED:

DATE: