

Wiltshire Council

Cabinet Capital Asset Committee

24 September 2013

Subject: Capital Monitoring Period 4 2013/2014 (as at 31 July 2013)

**Cabinet member: Councillor Dick Tonge
Finance, Performance, Risk, Procurement & Welfare Reform**

Key Decision: No

Executive Summary

The report details changes to the budget made since the 2013/2014 budget was set in February 2013.

The report reflects the position of the 2013/2014 spend against budget as at Period 4 (as at 31 July 2013).

Proposal

To note the budget movements undertaken to the capital programme shown Appendix A and B.

Reasons for Proposals

To inform Cabinet of the position of the 2013/2014 capital programme as at Period 4 (31 July 2013), including highlighting of budget changes.

Michael Hudson Service Director Finance

Wiltshire Council

Cabinet Capital Asset Committee

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Key Decision: No

Purpose of Report

1. To inform Cabinet on the position of the 2013/2014 Capital Programme as at Period 4 (31 July 2013), including highlighting budget changes. A budget monitoring report to members will now be taken to Cabinet Capital Assets Committee quarterly in September, December, March and June. This report focuses on major variations in budget.

Budget Movements

2. The Original budget for 2013/2014 was presented to the Council as part of the budget meeting on 26 February 2013. Since that date there have been a number of changes to the budget for 2013/2014, largely due to reprogramming of budget from 2012/2013, but also to reflect additional funding being available, and reductions in budget where grant funding has reduced. These changes are summarised in the table below, a fuller breakdown of the changes made at a scheme by scheme level is attached as Appendix A.

Breakdown of Budget Amendments from Original Budget to Period 4 Budget (as at 31 July)

| | £m | Notes |
|--|-----------------|--|
| Original Capital Programme Budget (reported to Council 26 February 2013) | 143.578 | |
| Additions/amendments to the Capital Programme 2013/2014 since Original Budget setting | | |
| Period 10 (to January 2013) 2012/2013 budgets reprogrammed into 2013/2014 | 11.899 | See Appendix A and B for further details |
| Outturn 2012/2013 budgets reprogrammed into 2013/2014 | 10.266 | See Appendix A and B for further details |
| Government Grant Reductions | (2.268) | See Appendix A and B for further details |
| Additional Budgets added to Programme | 4.922 | See Appendix A and B section 1 for further details |
| Budgets reprogrammed from 2013/2014 into 2014/2015 | (23.006) | See Appendix A and B section 2 for further details |
| Current Budget Period 4 2013/2014 | 145.391 | |

3. The budget additions shown above largely reflect increases in funding being available and brought into the programme under the Chief Financial Officer delegated authority. They largely comprise of additional grants from Central government, Section 106 contributions, revenue contributions towards capital expenditure and other contributions used to finance capital spend within the capital programme. The largest increase is £2.210 million additional funding received for Gypsy and Travellers sites. Further information on the budget movements at an individual scheme level is shown in Appendix A and in further detail in Appendix B.
4. The budgets that have been reprogrammed into 2014/2015 are shown in further detail in Appendix A and B, and are also explained in the narrative for schemes in Appendix C.

Summary of Position as at 31 July 2013

5. The current budget for the year 2013/2014 is £145.391 million. Actual spend on schemes as at 31 July 2013 was £33.125 Million. A full breakdown of these figures is attached in Appendix A.
6. At present there are no anticipated significantly overspending schemes.
7. There are a number of schemes that are currently significantly delayed and which will require budgets to be reprogrammed into 2014/2015. Some reprogramming has already taken place as part of this report, however more is anticipated, particularly in the Campus and Operational Delivery and Housing areas. Figures to be reprogrammed will be examined with budget holders and reprogramming for these areas actioned as part of the next monitoring report in December. These variances are mainly caused by project delays leading to differences in the profile of payments.
8. The planned reprogramming has been factored into the estimates for the Capital Financing budgets. This revenue budget is now currently estimated to be £1.5 million underspent at the year end mainly due to the reprogramming of budgets from 2013/2014 into later years.
9. Further information on the movements undertaken and the forecast position of some of the larger schemes is set out in Appendix C, along with updates on the capital receipts received during 2013/2014.

Proposals

10. To note:
 - a) The general budget additions for grants and revenue contributions of £4.922 million as per Appendix B and to note the Period 4 position of the Capital Programme in Appendix A.
 - b) The reprogramming of £23.006 million between 2013/2014 and 2014/2015.

Environmental Impact of the Proposal

11. Wiltshire Council is now included in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It is 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. There are no

direct impacts of this report, however there are a number of schemes in the capital programme that are planned to enable energy efficiency benefits for the council.

Equality and Diversity Impact of the Proposal

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

Risk Assessment

13. The capital budget for 2013/2014, as detailed in this report, has been revised to approximately £145 million. Within any capital programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the quarterly reporting process. Members may wish to bear in mind that the capital programme has been set for four years and therefore risks will be appraised over the whole period.

Financial Implications

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

Legal Implications

15. None have been identified as arising directly from this report.

Safeguarding Considerations and Public Health Implications

16. None have been identified as arising directly from this report

Michael Hudson

Service Director Finance

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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

Appendices

Appendix A – 2013/2014 budget movements and spend to 31 July

Appendix B – Delegated authority for budget movements

Appendix C – Narrative on specific schemes