

**WILTSHIRE COUNCIL  
CABINET**

**23 MARCH 2010**

---

**Subject: CAPITAL BUDGET MONITORING: APRIL 2009 TO  
JANUARY 2010**

**Cabinet member: Councillor Fleur de Rhe Philippe – Finance,  
Performance and Risk**

**Executive Summary**

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

There is a projected variation of £5.246m against the full year budget for 2009/10.

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

**Proposal**

- a.) To note the current financial position of the 2009/10 Capital Budget
- b.) To note the budget changes in section 1 Appendix B.
- c.) To approve the identified underspend in the Major Highway Improvements budget be used for a different purpose and fund the purchase of 4 highway vehicles

**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**

**23 MARCH 2010**

---

**Subject: CAPITAL BUDGET MONITORING: APRIL 2009 TO  
JANUARY 2010**

**Cabinet member: Councillor Fleur de Rhe Philippe – Finance,  
Performance and Risk**

**Purpose of Report**

1. To update Cabinet of the position of the Capital Programme after 10 Months (1<sup>st</sup> April 2009 to 31<sup>st</sup> January 2010) of the 2009/10 financial year.

**Background**

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

	£m	Notes
<b>Capital budget (as at 26<sup>th</sup> January 2010)</b>	<b>130.185</b>	
<i>Budget amendments;</i>		
Budget adjustments awaiting Cabinet approval in March's meeting (CFO Delegations)	-0.931	Net budget adjustments as detailed in Appendix B of this report.
<b>Capital budget 2009/10</b>	<b>129.254</b>	

3. It was highlighted to Cabinet on the 26<sup>th</sup> January 2010 that budget managers had identified an underspend within the Major Highways Improvement budget. Of the £0.948m budget for 2009/10, it had been identified that £0.348m will not be spent. The TEL department has identified 4 highway vehicles (highway gritters/ salt spreading equipment/ patch dressing vehicles) which could be funded from the underspend in the Highways Improvement Budget. As the purchase of the vehicles were not originally approved in the 2009/10 budget setting process and is a change in use of the agreed budget, the TEL department are seeking Member's approval to use the underspend to fund the highway vehicles purchase.
4. Appendix B to the report contains budget adjustments which Cabinet are asked to note (Section 1 and 2).

## Summary of Current Position

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

Department	Budget 09/10 £m	Actual Spend as at end of Period 10 £m	Projected Outturn for the year £m	Full Year Projected Variance* £m
Children & Education	67.469	42.675	67.331	-0.138
Resources	14.063	10.376	14.055	-0.008
Transport, Environment and Leisure	33.135	21.968	30.553	-2.582
Economic Development, Planning and Housing	12.959	7.953	10.441	-2.518
Community Services	1.628	0.961	1.628	-
<b>Total:</b>	<b>129.254</b>	<b>83.933</b>	<b>124.008</b>	<b>-5.246</b>

\* A negative variance indicates a underspend

6. A breakdown of the position of schemes within the capital programme can be seen in appendix A.
7. The variance on the full year projection is driven mainly by the need for schemes to be reprogrammed. Of the £5.246m projected underspend, £4.889m relates to reprogramming of expenditure; this is reflected in Appendix A. There is a projected underspend on two of the schemes; DOR Initiatives of £0.009m and Major Highway Improvements of £0.348m. This makes up the remaining forecasted year end variance.

8. Various comments on schemes are included below;

#### Youth Projects

- 8.1 Included within the Youth Projects budget is £0.037m relating to Malmesbury Skatepark. The scheme has been delayed due to planning issues and concerns from local residents in the area. The project is still proceeding but with a delayed timescale. As a result, there will be no financial spend this year and the £0.037m will be slipped into 2010/11. The budget will be reprogrammed in subsequent reports.

#### Tidworth Castledown

- 8.2 Budget managers have identified 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 £0.670m of the £1.037m will be spent this financial year. The remaining budget is to be reprogrammed into 2010/11 and will occur in subsequent reports.

#### Economic Development

- 8.3 The Economic Development budget comprises of various schemes grouped together to form the £2.554m budget. Within the budget £0.156m relates to Five Town initiative; a scheme which covers work at Melksham town centre and the Bradford on Avon Footbridge. The scheme has experienced delays and so requires £0.080m to be reprogrammed into 2010/11. Reprogramming of expenditure will also occur on Salisbury vision scheme (£0.797m), Calne phase 3 scheme (£0.171m) and Housing and Planning – Other schemes (£0.250m). The slippage identified above grouped with slippage on smaller schemes accounts for the year end variance of £1.629m. Budget managers have identified the funds will be required in 2010/11 and so reprogramming of expenditure will occur in subsequent reports.

#### Housing revenue Account (HRA)

- 8.4 The budget focuses on the refurbishment and modernisation of the Council's housing stock. The budget manager has identified that the budget is not likely to be fully spent in 2009/10 and is currently predicting a variance of £0.222m. Expenditure between now and the year end is to be determined and once situation is clarified, the scheme will be reprogrammed to move budget slippage into 2010/11.

### **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 £129 million and within this programme there are a number of potential risks 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 (2009/10 through to 2011/12).

### **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.

## **Main Considerations for the Council**

14. 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.
- c) To approve the identified underspend in the Major Highway Improvements budget be used for a different purpose and fund the purchase of 4 highway vehicles.

### **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

APPENDIX A : Sources SAP report

APPENDIX B : Details of net budget adjustments

## APPENDIX A



## CAPITAL BUDGET MONITORING STATEMENT: APRIL 2009 TO JANUARY 2010

SCHEME NAME	DEPARTMENT	2009/10 BUDGET	SCHEME SPEND AT THE END OF PERIOD 10 £	FORECAST SPEND AT 31/03/10 £	PROJECTED VARIANCE* £
Wellington Academy	DCE	7,413,000	5,728,793	7,413,000	0
Salisbury Academy	DCE	603,000	12,838	603,000	0
Extended Schools	DCE	1,502,000	485,479	1,502,000	0
Additional Accommodation	DCE	3,286,770	521,770	3,286,770	0
Access and Inclusion	DCE	1,294,000	471,026	1,294,000	0
NDS 07/08 & 09/10	DCE	2,752,170	2,503,658	2,752,170	0
NDS Modernisation	DCE	4,663,010	4,208,115	4,663,010	0
Devolved formula Capital	DCE	9,898,000	8,314,053	9,898,000	0
DCSF Primary Capital programme	DCE	892,610	431,015	892,610	0
Melksham Oak School	DCE	18,580,830	13,469,276	18,580,830	0
DCSF Targeted Capital 14-19 SEN	DCE	300,000	0	300,000	0
Other DCSF Initiatives	DCE	270,000	267,420	270,000	0
Targeted Capital Food Technology General	DCE	135,000	11,285	135,000	0
Targeted Capital School Kitchens General	DCE	745,000	745,427	745,427	427
Other Projects New Schools	DCE	2,095,020	166,044	2,095,020	0
Other Schools Projects - Expansions	DCE	2,485,070	997,153	2,485,070	0
Other Schools Projects - Replacements	DCE	1,031,380	151,576	1,031,380	0
DCSF Specialist Schools	DCE	650,000	600,000	650,000	0
DCSF 14-19 Diplomas reforms	DCE	1,000,000	250,580	1,000,000	0
DCSF Information System Parents & Providers	DCE	31,000	34,930	34,930	3,930
Sure Start early years	DCE	7,227,000	3,127,515	7,227,000	0
LPSA PRG (DCE)	DCE	50,420	0	50,420	0
Aiming High for Disabled Children	DCE	205,000	95	100,000	-105,000
Youth Projects	DCE	358,700	176,861	321,750	-36,950
	<b>SUBTOTAL:</b>	<b>67,468,980</b>	<b>42,674,909</b>	<b>67,331,387</b>	<b>-137,593</b>
BMP/SAP	DOR	1,452,000	0	1,452,000	0
ICT Hardware	DOR	751,000	725,296	751,909	909
LPSA PRG (Resources)	DOR	131,250	0	131,250	0
OWTP	DOR	11,612,430	9,650,289	11,612,430	0
Area Boards	DOR	82,200	0	82,200	0
Other DOR Initiatives	DOR	34,000	0	25,000	-9,000
	<b>SUBTOTAL:</b>	<b>14,062,880</b>	<b>10,375,585</b>	<b>14,054,789</b>	<b>-8,091</b>

## APPENDIX A

SCHEME NAME	DEPARTMENT	2009/10 BUDGET	SCHEME SPEND AT THE END OF PERIOD 10 £	FORECAST SPEND AT 31/03/10 £	PROJECTED VARIANCE* £
LTP – Integrated Transport	TEL	5,003,000	3,164,962	4,163,000	-840,000
Buildings repair & Maintenance	TEL	3,000,180	1,167,459	3,000,180	0
DDA Works	TEL	133,000	57,056	133,000	0
LTP – Maintenance of Principal/Non Principal roads	TEL	12,280,000	9,414,425	11,710,000	-570,000
Additional Highway Maintenance	TEL	1,645,000	464,965	1,645,000	0
Footways	TEL	250,000	137,849	250,000	0
Land Drainage	TEL	500,000	382,987	500,000	0
Highways Depot and office strategy	TEL	2,571,800	1,829,555	2,086,800	-485,000
Major Integrated Tr. Improvements	TEL	620,000	585,850	620,000	0
Major Highway Improvements	TEL	948,000	386,907	300,000	-648,000
Petersfingers Park and Ride	TEL	2,410,000	2,083,587	2,410,000	0
Waste Vehicles (Purchase)	TEL	1,938,555	1,446,947	1,938,555	0
Leisure & Amenities	TEL	835,250	230,373	795,250	-40,000
Waste Management	TEL	673,000	358,763	673,000	0
Smaller TEL Schemes not split out	TEL	328,000	255,872	328,000	0
<b>SUBTOTAL:</b>		<b>33,135,785</b>	<b>21,967,557</b>	<b>30,552,785</b>	<b>-2,583,000</b>
Tidworth Castledown	EDPH	1,037,000	463,044	670,000	-367,000
Economic Development	EDPH	2,554,000	846,422	925,000	-1,629,000
Disabled facilities grants Housing	EDPH	2,650,000	1,816,513	2,400,000	-250,000
Corporate other housing grants	EDPH	1,200,000	354,806	1,150,000	-50,000
Strategic Housing	EDPH	857,000	135,779	857,000	0
New Housing	EDPH	65,000	22,943	65,000	0
HRA	EDPH	4,596,000	4,313,376	4,373,816	-222,184
<b>SUBTOTAL:</b>		<b>12,959,000</b>	<b>7,952,883</b>	<b>10,440,816</b>	<b>-2,518,184</b>
Libraries Heritage Arts Minor Capital Works	DCS	70,000	36,255	70,000	0
Adult Social Care Strategy & Commissioning - Older People	DCS	1,199,500	732,059	1,199,500	0
Adult Social Care Strategy & Commissioning - Learning Disability	DCS	210,000	83,828	210,000	0
Resources Other	DCS	148,000	109,292	148,000	0
<b>SUBTOTAL:</b>		<b>1,627,500</b>	<b>961,434</b>	<b>1,627,500</b>	<b>0</b>
<b>TOTAL:</b>		<b>129,254,145</b>	<b>83,932,368</b>	<b>124,007,277</b>	<b>-5,246,868</b>

**NOTES:**

\* A negative variance indicates a underspend



**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:** New Deals for Schools Modernisation  
**Budget Change:**

2009/10	2010/11	2011/12
71,710		

**Funding Source:** School Contributions  
**Description:** Budget increased through School contributions

**Project Name:** Waste Vehicles  
**Budget Change:**

2009/10	2010/11	2011/12
20,555		

**Funding Source:** Revenue Contribution  
**Description:** Purchase of additional waste vehicle through revenue sources.

**Project Name:** Area Boards  
**Budget Change:**

2009/10	2010/11	2011/12
82,200		

**Funding Source:** Grant  
**Description:** Allocation of the Performance Reward Grant (PRG) to Area Boards to distribute for use of a capital nature. The grant was achieved due to Wiltshire's performance under the Local Public Service Agreement (LPSA) with central Government.

**Project Name:** Youth Projects  
**Budget Change:**

2009/10	2010/11	2011/12
7,700		

**Funding Source:** Revenue Contribution  
**Description:** Contribution from revenue funds to purchase 11 vehicles for the Youth service.

**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:** Leisure & Amenities  
**Budget Change:**

2009/10	2010/11	2011/12
-99,750	99,750	

**Funding Source:** Capital Receipts  
**Description:** A capital grant payable to Pewsey Heritage Centre (commitment made by the ex Kennet District council) is to be delayed to the 2010/11 financial year. The project in which the grant is to be used has been delayed by heritage centre not receiving developer contribution money. This is now agreed and due to be paid in 2010/11 allowing the project to commence. The grant payment is being reprofiled accordingly.

**Project Name:** Waste Management  
**Budget Change:**

2009/10	2010/11	2011/12
-1,013,000	1,013,000	

**Funding Source:** Grant / Revenue Contributions  
**Description:** The decontamination element of the Warminster Household recycling site scheme is planned to occur in 2010/11. The reprogramming of expenditure will bring the budget in line.

<p><b>SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES</b></p> <p><i>"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"</i></p> <p>Project Name:</p> <p>Budget Change:    2009/10    2010/11    2011/12</p> <p>Funding Source:</p> <p>Description:</p>
--

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: