

REPORT TO THE EXECUTIVE

Report No. 12

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| Date of Meeting | March 15, 2007 |
| Title of Report | Capital Monitor 2006/07 - Month 10 |
| Portfolio | Leader's Portfolio |
| Link to Corporate Priorities | Where appropriate details of links to the various Corporate Objectives for specific schemes in the Capital Programme were included in the original scheme proposals presented to the Council or its Committees in the past. |
| Key Decision | No |
| Executive Workplan Ref | A19 |
| Public Report | Yes |

Summary of Report

The purpose of this report is to inform the Executive of the latest position and forecast outturn on the 2006-07 capital programme and agree a transfer of resources to 2007-10.

Officer Recommendations

That the Executive:

1. Note the figures contained in Appendix 1 in relation to the Capital Programme for 2006/2007 and the contents of this Report.
2. Note the detailed information on Capital Resources at Appendix 2.
3. Note the Capital Risk Assessment contained in Appendix 3.
4. Note the Slippage Table in Appendix 4.

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

| Financial Implications | Legal Implications | Community & Environmental Implications | Human Resources Implications | Equality & Diversity Implications |
|------------------------|--------------------|--|------------------------------|-----------------------------------|
| YES | NONE | NONE | NONE | NONE |

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| Contact Officer | Val Cradock, Financial Consultant 01249 706220 vcradock@northwilts.gov.uk |
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1. Introduction

- 1.1 This report details capital expenditure to 31 January 2007 (Month 10) and projected expenditure to 31 March 2007. See Appendix 1.
- 1.2 Some schemes have slipped and will not be completed in the year for which the budget was approved. The projected level of slippage has been reviewed and is at £4.192m. As part of continually improving the capital monitor, the slippage analysis has been improved.
- 1.3 Schemes approved in prior years, which were uncompleted as at 31 March 2006, totalled £3.049m. Allocated funding for these schemes had previously been identified.

2. Options and Options Appraisal

- 2.1 To note the figures contained in the Appendices in relation to the Capital Programme for 2006/2007 and the contents of this Report.

3. Background Information – budget and expenditure

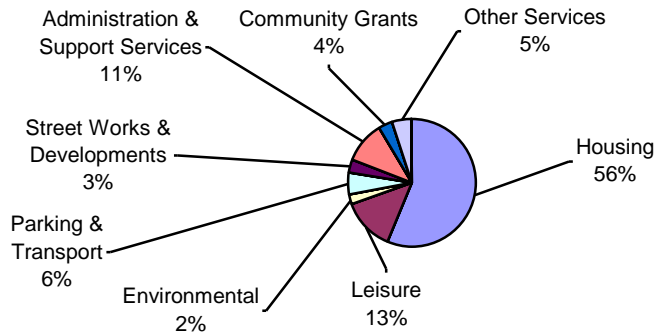
- 3.1 The total capital programme, including the budget unspent from previous years, is £9.251m as set out below, and detailed at Appendix 1:

Table 1: 2006-07 Capital Programme 2006-07 £000's

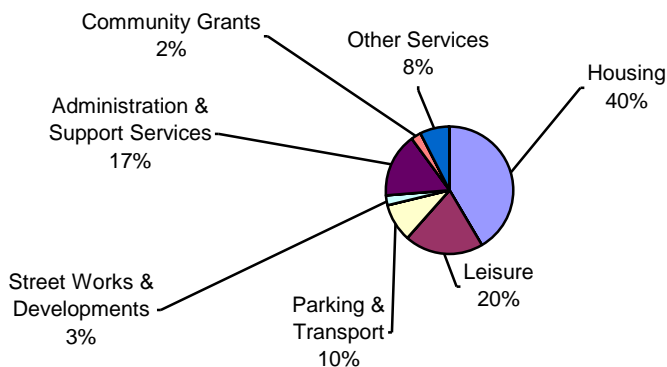
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|-----------------------------------|--------------|-------|
| Original 2006-07 budget | 5,875 | |
| Slippage from 2005-06 | <u>3,049</u> | 8,924 |
| In-year changes | | |
| Virements | 101 | |
| New spend funded by new resources | <u>226</u> | 327 |
| Revised 2006-07 capital programme | | 9,251 |

- 3.2 Expenditure during 2006/07 totals £3.161m to 31st January 2007. This is shown by Service Area percentage in Table 2. It is projected that a further £1.802m will be spent on capital schemes during the remainder of 2006/07, of which £0.759m relates to Housing schemes and grants (40%) and £0.363m relating to Leisure Services (20%) as shown in Table 3.

**Table 2. Actual Expenditure £3.161m
April 2006 - January 2007**



**Table 3. Projected Expenditure £1.802m
February - March 2007**



- 3.3 The total spend is, therefore, £5.059m, compared to £5,044m reported in Month 9, (to include projected savings of £96k).
- 3.4 Projected slippage on committed schemes totals remains at just over £4m as reported in the Month 9 monitor.
- 3.5 This Appendix also shows projected savings of £96k and £111k of slippage that is no longer required. However, there are indications that that this released funding could be reduced by up to £50k because of the possible overspend of the North Wiltshire Arts Centre Project as identified in Appendix 3. This will also form the subject of a separate report.
- 3.6 Work on identifying any possible income from Section 106 agreements is ongoing and will form part of the year end processes.

4. Capital Resources

- 4.1 Capital Receipts, virements and specific grants, totalling £8.404m have been identified to fund the 2006/2007 capital programme. In addition, there is £3,049m of resources brought forward to fund the slippage from 2005-06.
- 4.2 As set out at Appendix 2, there is a resulting resource of £2.202m in excess of the level of expenditure; this was invested to generate interest to support the 2006-07 revenue budget. This 'base budget' assumption, that there is revenue income from the capital surplus, has been built into the 2007-10 revenue budgets.
- 4.3 Tighter control on achieving expenditure in accordance with the plans (less slippage to future years) will reduce the amount of interest available to support the revenue budget.
- 4.4 A capital receipt, amounting to £7.4m, in respect of land sales (Chippenham Cattle Market Site) has been received. This is being invested in line with the Council's Treasury Management Policies.

5. Financial Implications

- 5.1 Combined with the net effect of the increased slippage the interest earned on investments will help support the 2007-08 revenue budget. Appendix 2 also sets out the position of the Equipment Fund.

6. Risk Analysis

- 6.1 The Risk Assessment approved at Full Council on 21st February 2006 in relation to the 2006/2007 Capital Programme has been reviewed and updated. This is set out at Appendix 3.

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| Appendices: | <ol style="list-style-type: none"> 1. Capital Monitor April - November 2006 2. Capital Resources - 2006/2007 3. Risk Assessment - November 2006 4. Slippage Table - November 2006 |
| Background Documents Used in the Preparation of this Report: | <ul style="list-style-type: none"> • Expenditure reports produced by the Council's Accounting System • Budget Holders monitoring reports |

Previous Decisions Connected with this Report

| Report | Committee & Date | Minute Reference |
|--|---|------------------|
| <ul style="list-style-type: none"> • Budget Proposals 2006/2007 | Council - 21 February 2006 | C92. |
| <ul style="list-style-type: none"> • Capital Outturn 2005/2006 | Executive - 13 July 2006 | E25. |
| <ul style="list-style-type: none"> • Capital Monitors: <ul style="list-style-type: none"> ○ Month 6 ○ Month 7 ○ Month 8 ○ Month 9 | <ul style="list-style-type: none"> Executive – Nov 9 2006 Executive – Dec 14 2006 Executive - Jan 18 2007 Executive - Mar 15 2007 | |

