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| Date of Meeting | 19 th April, 2007 |
| Title of Report | Capital Monitor 2006/07 - Month 11 |
| 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 |

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| <p>Summary of Report</p> <p>The purpose of this report is to inform the Committee of the latest position and forecast outturn on the 2006-07 capital programme and note change to the Risk Assessment Table.</p> |
| <p>Officer Recommendations</p> <p>That the Executive:</p> <ol style="list-style-type: none"> Note the figures contained in Appendix 1 in relation to the Capital Programme for 2006/2007 and the contents of this Report. Note the detailed information on Capital Resources at Appendix 2. Note the Capital Risk Assessment contained in Appendix 3. Note the Slippage Table in Appendix 4. |

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|---|--------------------|--|------------------------------|-----------------------------------|
| 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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1. Introduction

- 1.1 This report details capital expenditure to 28 February 2007 (Month 11) 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 has risen by £365k, to £4.557m. It represents just under 50% of the planned programme and is £1.5m higher than last year. It is not expected that the final slippage figure for 2006/2007 will be significantly different to this.
- 1.3 Resources to fund schemes where slippage has occurred has previously been identified. See Appendix 2.

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

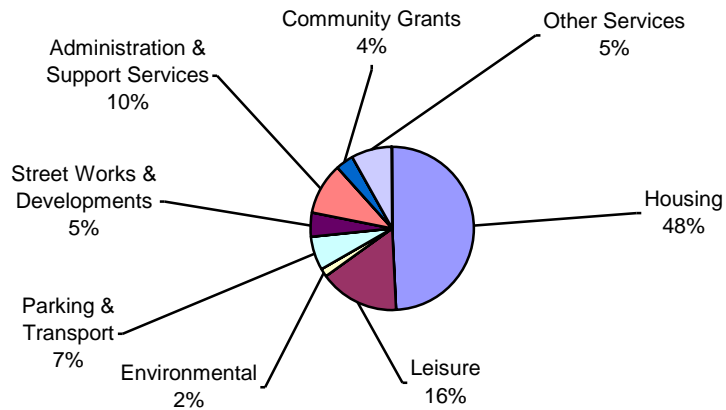
- 3.1 The total capital programme, including the budget unspent from previous years, is £9.251m, as set out below and detailed in Appendix 1.

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 £3.788m to 28th February 2007. This is shown by Service Area percentage in Table 2. This shows an increase in expenditure of £0.627m since the production of the Month 10 Monitor.

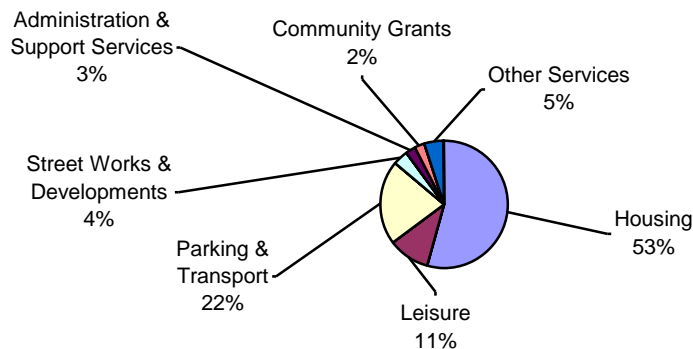
**Table 2. Actual Expenditure £3.788m
April 2006 - February 2007**



3.3 It is projected that a further £0.821m will be spent on capital schemes during the remainder of 2006/2007, of which £0.439m (53%) relates to Housing schemes & grants and Parking & Transport schemes £0.127m (22%). This is set out at Table 3.

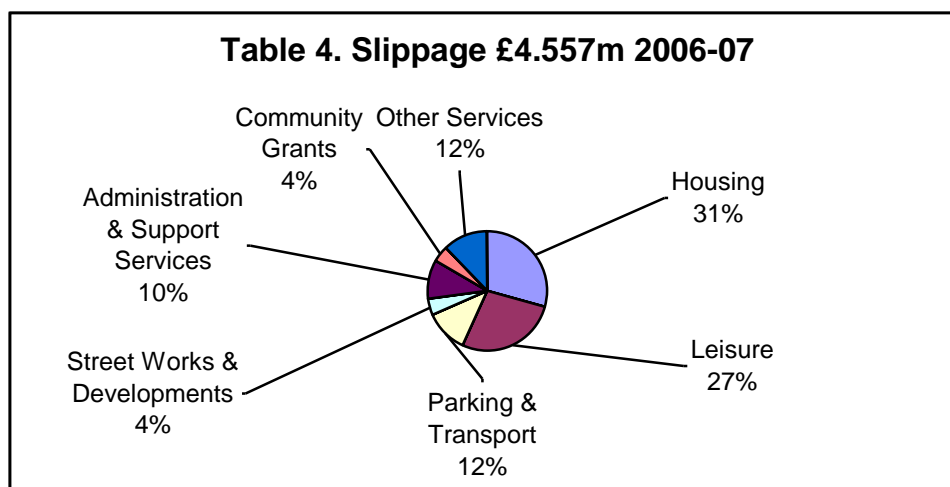
3.4 The projected spend in relating to Housing schemes and grants is made up, predominately, of one amount of £0.399m payable in respect of an Affordable Housing scheme. Should payment of this amount fail to be processed prior to the cut off date for 2006/2007 this will need to be added to the slippage table. See Appendix 4.

**Table 3. Projected Expenditure £0.821m
March 2007**



3.4 The total spend (including projected savings of £85k) is, therefore, £4.694m, down £365k from the £5,059m reported in Month 10.

- 3.5 Projected slippage on demand led uncommitted and committed schemes totals £4.557m, which is £0.365m more than reported in Month 10. It represents just under 50% of the planned programme and is £1.5m higher than last year. See Table 4.



- 3.6 Appendix 4 shows projected savings of £85k and £121k 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.
- 3.7 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.
- 6.2 The funding of Housing Renewal Grants has been received for 2006/2007. This Risk has now been removed from the Assessment.

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| Appendices: | <ol style="list-style-type: none"> 1. Capital Monitor April - February 2007 2. Capital Resources - 2006/2007 3. Risk Assessment - February 2007 4. Slippage Table - February 2007 |
| 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 ○ Month 10 | <ul style="list-style-type: none"> Executive – Nov 9 2006 Executive – Dec 14 2006 Executive - Jan 18 2007 Executive - Mar 15 2007 Executive - Mar 15 2007 | |