

CABINET
23RD JUNE 2009

CAPITAL OUTTURN 2008-09: FORMER DISTRICT COUNCILS

Executive Summary

The report presents the outturn position on the Capital Budgets for the four former District Councils. It also includes a number of roll forward requests for funds to be reallocated to the 2009-10 financial year.

Proposal

Cabinet is asked to:

- a) approve roll forward requests of £6.001 million to complete projects, in progress, as at 31st March 2009 by the former District Councils.

Reasons for Proposals

Approval by Members of a Supplementary Capital Estimate (increase in 2009-10 budget) is required. This will mean that 2009-10 capital budgets will be adjusted appropriately to reflect over and under spends incurred in 2008-09. This enables capital expenditure not incurred in 2008-09 to be completed.

MARTIN DONOVAN

Chief Finance Officer

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CAPITAL OUTTURN 2008-09 FORMER DISTRICT COUNCILS

Purpose of Report

1. This report summarises the capital expenditure for 2008-09 for the four former District Councils, comparing it to the approved capital budgets, and summarising the requests for roll forwards which are being made to members.

Main Considerations for Cabinet

2. The report outlines the final position for the four former District Councils in 2008-09 and outlines which underspends that it is recommended to roll forward into 2009-10 and which underspends will be credited to the appropriate funding source in the Wiltshire Council Balance Sheet.

Capital Outturn North Wiltshire District Council (NWDC)

3. The outturn position for North Wiltshire District Council (NWDC) is that there is a total underspend against the budget of £4.399 million of which it is recommended that £2.892 million is rolled forward into 2009-10.
4. In Housing and Planning there was an underspend of £0.651 million on affordable housing of which £0.353 million is required to be rolled forward for four affordable Housing projects not complete as at 31 March 2009. Processing of Housing Renewal Grants (roll forward request of £0.767 million), a general heading, incorporating a number of different type of grants, is continuing, but it may be that some grants will not be completed and further savings identified. Other Schemes (roll forward request of £0.250 million) relates to the provision of a Traveller/Gipsy site: £0.150 million of this request is a specific grant.
5. In Economic Development, there is an underspend of £0.819 million on the Calne Phase 3 scheme (Phelps Parade Development) and it is requested that all of this underspend is rolled forward. An anchor store is actively being sort to replace Woolworths. The empty stores will result in lower revenue income from lost rent.
6. In Corporate, the carbon trust budget was underspent by £0.198 million and it is requested that all of this underspend is rolled forward. It is envisaged that the funds will be used for various energy saving initiatives including the Chippenham Weir Hydro Project.

7. There are a number of smaller underspends some of which are requested to be rolled forward with the balance to be returned to the Wiltshire Council Balance Sheet.

Capital Outturn Salisbury District Council (SDC)

8. The outturn position for Salisbury District Council (SDC) is that there is a total underspend against the budget of £4.229 million of which it is recommended that £2.048 million is rolled forward into 2009-10.
9. It was anticipated that the Major Repairs Allowance (MRA) in the Housing Revenue Account (HRA) would be underspent in 2008-09 and this was what happened in practice. The MRA funds are ringfenced for Council Housing and it is therefore appropriate for the balance of £1.168 million to be rolled forward into 2009-10 to be spent on the refurbishment and modernisation of Council dwellings.
10. A ringfenced grant has been received from the Department of Communities and Local Government (DCLG) which covers affordable housing and private sector renovation grants in the schedule. In total there is unused specific grant of £0.417 million available to roll forward for these two areas and it is appropriate to roll forward this grant: otherwise it would have to be paid back to the DCLG.
11. The Salisbury Vision project was included in the budget report taken to the Implementation Executive in February 2009. The roll forward request here relates to elements of the project initiated by Salisbury District Council (SDC) and it is recommended that this is agreed in principle subject to the position on this scheme being reviewed actively. There are a number of other smaller roll forward requests, which reflect either ringfenced grants or contractual commitments.

Capital Outturn West Wiltshire District Council (WWDC)

12. The outturn position for West Wiltshire District Council (WWDC) is that there is a total underspend against the budget of £0.756 million: it is recommended that all of the £0.756 million is rolled forward into 2009-10.
13. The majority of the underspend is in relation to disabled facilities grant where the £0.855 million budget was not fully spent in the year but grant arrangements and agreements were put in place by housing services which will result in the balance of £0.391 million being required in 2009-10 to meet planned expenditure; £0.052 million of this has been grant funded which will be passed over to the Unitary authority.
14. The Five Towns Initiative has two projects remaining, Melksham and Bradford-on-Avon, requiring a roll forward of £0.156 million to complete the schemes. Earmarked capital receipts had been identified by West Wiltshire District Council to fund this scheme, which will be transferred to the Unitary authority.

15. The majority of the other underspends relates to various cemetery projects to include the purchase of land for a new or extended cemetery at Bradford-on-Avon (£0.116 million).

Capital Outturn Kennet District Council (KDC)

16. The outturn position for Kennet District Council (KDC) is that there is a total underspend against the budget of £2.053 million: it is recommended that all of the £0.305 million is rolled forward into 2009-10. In addition to the original capital programme delegations totalling £5.252 million were approved.

Overview of the four Councils' Capital Programme

18. The summary underspend position for the four Councils is summarised below:-

	Total Underspend	Total Roll Forward Requests
North Wiltshire District Council	£4.399 million	£2.892 million
Salisbury District Council	£4.229 million	£2.048 million
West Wiltshire District Council	£0.756 million	£0.756 million
Kennet District Council	£2.053 million	£0.305 million
	£11.437 million	£6.001 million

19. While there has inevitably been some variation in the way that capital programmes were managed in the four Councils, the principles by which roll forwards have been requested are consistent. Unspent balances, not rolled forward, will be credited to the relevant funding source.

Funding of the former District capital programmes was based on available capital resources and any agreed roll forward will not impact on the Unitary authority's borrowing position.

Further details of the capital programmes of the former District Councils are available as part of the preparation and presentation of the Statement of Accounts.

Equalities Impact of the Proposal

20. None has been identified as arising directly from this report.

Environmental Impact of the Proposal

21. No environmental issues have been identified arising from this report.

Financial Implications

22. The report as a whole considers the financial implications.

Legal Implications

23. None has been identified as arising directly from this report

Proposal

24. Cabinet is asked to:

a) approve roll forward requests of £6.001 million to complete projects, in progress, as at 31st March 2009 by the former District Councils.

MARTIN DONOVAN

Chief Finance Officer

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Unpublished documents relied upon in the production of this report:	None
Environmental impact of the recommendations contained in this report:	None