

## **CABINET – 11 June 2009**

### **Report of the Deputy Chief Executive**

ITEM 9

#### **CAPITAL PLAN OUTTURN 2008/09**

##### Purpose of the Report

This report shows the total expenditure on the Capital Plan for the year 2008/09 compared with the budget, which was reported to Cabinet on 28 February 2008 (minute 166), plus subsequent amendments on 15 May 2008 (minute 15), 17 July 2008 (minute 48), 25 September 2008 (minute 80), 18 December 2008 (minute 126) and 26 February 2009 (minute 174). In addition, the report details those schemes that require carry forward of budget to 2009/10 and shows the provisional arrangements for the financing of the Plan.

##### Recommendations

1. That the outturn position for 2008/09 be noted and that the carry forward of project budgets totalling £1,737.8k be approved.
2. That the provisional financing of the Plan be noted.

##### Reasons

1. To enable projects to be completed
2. To indicate how the Plan is likely to be financed.

##### Policy Context

The Capital Plan is fundamental to all strategic aims of the Council.

##### Background

The Capital Plan for 2008/09 was reported to Cabinet on 28 February 2008 and, following amendments between May 2008 and February 2009, the final budget was £9,459k, which is £7,073.9k (42.8%) lower than the original budget.

Table I below shows the expenditure by directorate and the total capital spend of £7,542k was 79.7% of the final budget, compared to 89.6% in 2007/08. Expenditure on General Fund projects was £3,258k in 2008/09 being 63.2% of budget, compared with 86.2% of budget in 2007/08. The HRA expenditure of £4,284k was 99.6% of budget compared to 93.2% in 2007/08.

The carry forwards detailed in Appendix I have been requested by the Officers responsible for the schemes.

Table I

<b>Capital Outturn 2008/09</b>	<b>Budget</b>	<b>Actual Spend</b>	<b>Under/ (Over) Spend</b>	<b>Net Carry Forward</b>	<b>Net Saving (Overspend)</b>
<b><u>Directorate</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deputy Chief Executive	355	239	116	81	35
Partnerships & Customer Services	0	-2	2	0	2
Governance & Procurement	233	301	-68	-65	-3
Programmes & Resources	2	-9	11	0	11
Development	272	182	90	73	17
Loughborough Regeneration	592	288	304	304	0
Leisure & Environment	2,689	1,364	1,325	1,295	30
Housing & Health - General Fund	1,015	895	120	25	95
<b>General Fund Total</b>	<b>5,158</b>	<b>3,258</b>	<b>1,900</b>	<b>1,713</b>	<b>187</b>
Decent Homes & Neighbourhoods - HRA	4,301	4,284	17	25	-8
<b>Total Capital Plan</b>	<b>9,459</b>	<b>7,542</b>	<b>1,917</b>	<b>1,738</b>	<b>179</b>

The amount requested to be carried forward includes the following items:

- Loughborough Eastern Gateway, £305k – work is underway on the initial aspects of this scheme with the majority of spend in future years.
- South Charnwood Swimming Pool, £1,131k – the on-site start was later than originally envisaged but this project has commenced and is proceeding.
- Play Area Improvement Scheme, £57k – this is in respect of the skate park scheme for Southfields Park, Loughborough. The start to the scheme has been delayed pending the outcome of an application for external funding which would allow for a larger scheme to be undertaken.
- Five schemes have negative balances to carry forward. All of these are ongoing schemes and the overspend in 2008/09 will be taken off next year's budget.

Appendix I shows the performance of each scheme in the Capital Plan against its budget.

There were no major overspends at the end of March 2009. Community Grants spent £47.3k more than their budget but this particular budget is profiled over more than one year. Accordingly, this 'overspend' will be taken off the amount available for allocation in 2009/10. Similarly, the Gorse Covert project is on site and proceeding faster than envisaged in 2008/09. The remaining budget in 2009/10 will be reduced by the extra £18k spent in 2008/09.

The Replacement Hardware Programme and Disabled Facility Grants had underspends of £33k and £87k respectively. These are both block grants so any underspend is not carried forward. In the case of Replacement Hardware, requests for replacement computers and servers are considered individually and replaced as necessary. The Disabled Facility Grants are partially funded by central Government with the Council making up the majority of the cost. Any surplus budget at the year end is added back to the general amount available for capital expenditure.

The provisional funding arrangements for 2008/09 are detailed in Table 2 below.

Table 2

Type of Finance	Provisional Amount £'000
Grants and Contributions	1,231
Capital Receipts	1,319
General Fund Revenue Contributions	808
MRA	3,918
Transfer from HRA Revenue Account	37
HRA borrowing for new HMS system	229
	<b>7,542</b>

After allowing for the funding shown above there will be a carry forward of funding for the General Fund of £9,027k. £1,713k of this will be required to fund the carry forward items, if they are approved. This will leave £7,314k to be used towards the 2009/10 General Fund Plan which currently amounts to £15,215k. Further capital receipts and contributions are anticipated over the three years of the Capital Plan period until the end of 2011/12 and the General Fund Plan is adequately funded over that period.

#### Financial Implications

There are no direct financial implications arising from this report.

#### Risks

Risks Identified	Likelihood	Impact	Risk Management Actions Planned
Insufficient funding	Low	High	The funding of the Capital Plan is regularly monitored and any apparent shortfalls are brought to the attention of Cabinet with suggested solutions.

General Risks associated with capital expenditure	Medium	Medium	The Capital Plan is controlled through Project Boards for larger schemes and Project Officers for smaller schemes. Progress, risks and possible problems are notified to these boards and to the Capital Plan Team for all projects of £50k or more. Such risks are identified and dealt with and reported as necessary to Cabinet, Financial Strategy Group and Performance & Audit Scrutiny Committee.
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Scrutiny Committee(s):

Performance Scrutiny Committee

Key Decision:

Yes

Background Papers:

Capital Plan Cabinet Reports on 28 February, 15 May, 17 July, 25 September and 18 December 2008 plus 26 February 2009.  
Working papers in Finance.

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**CAPITAL EXPENDITURE OUTTURN REPORT 2008/09**

Appendix 1

Scheme Details	2008/09 Budget £	2008/09 Actual £	Gross Under/ Overspend(-) £	Carry Forward £	Saving/ Overspend(-) £
<b>CAPITAL PLAN BY DIRECTORATE</b>					
Deputy Chief Executive	354,600	238,801	115,799	81,300	34,499
Partnerships & Customer Services	0	-1,834	1,834	0	1,834
Governance & Procurement	232,500	300,656	(68,156)	(65,300)	(2,856)
Programmes & Resources	2,100	-8,790	10,890	0	10,890
Development	272,000	181,843	90,157	73,400	16,757
Loughborough Regeneration	592,000	288,478	303,522	303,500	22
Leisure & Environment	2,689,300	1,363,533	1,325,767	1,295,000	30,767
Housing & Health - General Fund	1,015,000	894,514	120,486	25,000	95,486
<b>Sub-Total - General Fund</b>	<b>5,157,500</b>	<b>3,257,201</b>	<b>1,900,299</b>	<b>1,712,900</b>	<b>187,399</b>
Housing & Health - HRA	4,301,500	4,284,450	17,050	24,900	(7,850)
<b>Grand Total</b>	<b>9,459,000</b>	<b>7,541,651</b>	<b>1,917,349</b>	<b>1,737,800</b>	<b>179,549</b>
<b>Deputy Chief Executive</b>					
<u>E-Government</u>					
KB Z071 Corporate Rollout NLPG	3,700	0	3,700	3,700	0
KB Z085 Replacement Hardware Programme	107,500	74,969	32,531	0	32,531
KB Z142 Network Enhancements & Security	6,200	0	6,200	6,200	0
KB Z262 Replacement Revenues & Benefits Server	2,000	0	2,000	2,000	0
PB Z146 Server Rationalisation, Storage & Back-up	2,500	0	2,500	2,500	0
AK Z130 Customer Relationship Management System Development	1,800	7,400	(5,600)	(5,600)	0
SH Z195 Mobile Working	25,000	23,537	1,463	0	1,463
<u>Information &amp; Communication Systems Enhancements</u>					
SH Z185 Network Infrastructure	1,100	200	900	0	900
AK Z187 Web Development	5,900	6,695	(795)	0	(795)
MM Z273 Planning/Building Control and Land Charges System - Northgate	30,000	6,790	23,210	23,200	10
KB Z276 Network Box Upgrade	10,000	10,010	(10)	0	(10)
SH Z278 SQL/SharePoint 2007	26,000	23,428	2,572	2,600	(28)
SH Z279 Electronic Data Backup & Archival System	50,000	50,000	0	0	0
SH Z280 Gov Connect	15,000	557	14,443	14,400	43
SH Z281 Exchange Upgrade (Part 1)	30,000	0	30,000	30,000	0
<u>Capital Grants to Parishes</u>					
IG Z020 Woodhouse Community Room	24,600	24,640	(40)	0	(40)
IG Z021 Rearsby Village Hall	11,000	11,000	0	0	0
IG Z181 Mitchells Field Project, Anstey	2,300	0	2,300	2,300	0
JC Z064 HR/Payroll System	0	-425	425	0	425
<b>Deputy Chief Executive - Total</b>	<b>354,600</b>	<b>238,801</b>	<b>115,799</b>	<b>81,300</b>	<b>34,499</b>
<b>Partnerships &amp; Customer Services</b>					
PH Z264 CCTV Monitoring & Contact Centre Joint Service	0	-1,834	1,834	0	1,834
<b>Partnerships &amp; Customer Services - Total</b>	<b>0</b>	<b>-1,834</b>	<b>1,834</b>	<b>0</b>	<b>1,834</b>
<b>Governance &amp; Procurement</b>					
MH Z263 Charnwood Community Grants	90,000	137,296	(47,296)	(47,300)	4
JL Z152 Southfield's - Office Accommodation Strategy - Phase 3	5,700	7,941	(2,241)	0	(2,241)
DW Z271 Southfield's - Southfield's Door Access Equipment	17,800	18,373	(573)	0	(573)
JL Z268 Gorse Covert Community Centre Refurbishment	119,000	137,046	(18,046)	(18,000)	(46)
<b>Governance &amp; Procurement - Total</b>	<b>232,500</b>	<b>300,656</b>	<b>(68,156)</b>	<b>(65,300)</b>	<b>(2,856)</b>

Scheme Details			2008/09 Budget £	2008/09 Actual £	Gross Under/ Overspend(-) £	Carry Forward £	Saving/ Overspend(-) £
<b>Programmes &amp; Resources</b>							
DP	Z109	Document Imaging	0	-10,000	10,000	0	10,000
DD	Z261	Elections & Electoral Registration Software	2,100	1,210	890	0	890
<b>Programmes &amp; Resources - Total</b>			<b>2,100</b>	<b>-8,790</b>	<b>10,890</b>	<b>0</b>	<b>10,890</b>
<b>Development</b>							
<u>Environmental Improvement Programme</u>							
MT	Z170	Heritage Plaque Scheme	2,800	175	2,625	2,600	25
<u>Public Art Programme</u>							
MT	Z123	King Lear Memorial - Watermead Country Park	1,000	1,000	0	0	0
MT	Z178	Parish Green, Loughborough	9,000	0	9,000	9,000	0
MT	Z839	Shakespeare Street, Loughborough	6,700	5,500	1,200	1,200	0
MT	Z180	Loughborough Parish Church - Conservation of Tombs	9,300	0	9,300	9,300	0
DH	Z039	Mill Lane Bridge, Thurmaston	20,000	20,000	0	0	0
DH	Z065	IT Improvements in Development Control	15,000	10,941	4,059	4,000	59
DH	Z184	Town & Parish Council IT Support	20,200	17,529	2,671	2,700	(29)
DH	Z167	Barkby Brook Improvements	84,600	39,968	44,632	44,600	32
DH	Z277	Upgrade Leicester North Station - GCR	31,700	31,746	(46)	0	(46)
DH	Z282	Barkby Road, Syston - Environmental Improvement Scheme	16,900	16,869	31	0	31
DH	Z283	Birstall Parish Council - Car Park Refurbishment/Extension	26,800	26,845	(45)	0	(45)
<u>Block Sums</u>							
MT	Z057	Public Art Programme	13,000	0	13,000	0	13,000
MT	Z800	Historic Building Grants	15,000	11,270	3,730	0	3,730
<b>Development - Total</b>			<b>272,000</b>	<b>181,843</b>	<b>90,157</b>	<b>73,400</b>	<b>16,757</b>
<b>Loughborough Regeneration</b>							
JH	Z019	Loughborough Town Centre Improvements	50,000	51,539	(1,539)	(1,500)	(39)
JH	Z126	Loughborough Eastern Gateway	450,000	145,009	304,991	305,000	(9)
JH	Z199	Loughborough Festive Illuminations	2,000	1,930	70	0	70
JH	Z274	Great Central Railway Offices - Contribution	90,000	90,000	0	0	0
<b>Loughborough Regeneration - Total</b>			<b>592,000</b>	<b>288,478</b>	<b>303,522</b>	<b>303,500</b>	<b>22</b>
<b>Leisure &amp; Environment</b>							
<u>Flood Alleviation</u>							
DW	Z652	Cossington - Main Street/Platts Lane - Works	4,400	0	4,400	0	4,400
DW	Z004	Wymeswold Brook Street Culvert	3,000	0	3,000	0	3,000
JR	Z041	Cultural & Leisure Services Asset Management Works	54,200	66,776	(12,576)	(12,600)	24
JR	Z191	Queens Park Destination Play Area	235,000	235,112	(112)	0	(112)
JR	Z022	Memorial Park, Sibley - Skateboard Facility & Masterplan	11,600	0	11,600	0	11,600
JR	Z192	Syston Skate Park	68,700	64,135	4,565	4,600	(35)
JR	Z051	Bottleacre Lane, Loughborough - Multi-use Games Area	42,000	42,000	0	0	0
JR	Z193	Thurmaston Multi Use Games Area	33,400	30,553	2,847	2,800	47
NG	Z266	Garden Waste Expansion	86,200	86,214	(14)	0	(14)
JR	Z145	Queen's Park Green Flag - Toilet Provision	138,000	137,081	919	900	19
JR	Z165	Nanpantan Sports Ground	50,000	15,745	34,255	34,300	(45)
SH	Z166	South Charnwood Swimming Pool	1,600,000	468,690	1,131,310	1,131,300	10
JR	Z265	Green Flag Parks	64,800	33,770	31,030	31,000	30
DW	Z666	Metrobrook Development - CCTV	400	3,283	(2,883)	0	(2,883)
DW	Z189	East Loughborough CCTV Coverage Project	4,000	3,897	103	0	103
JR	Z270	Burton on the Wolds - Enhanced Sports Pavilion	27,800	27,788	12	0	12
JR	Z272	Shepshed - Enhanced Sports Pavilion	73,500	73,500	0	0	0
SH	Z157	Rebuild - Nanpantan Grounds Maintenance Store	0	489	(489)	0	(489)
JL	Z190	Pay on Foot Car Parking - Beehive Lane Car Park	1,600	-508	2,108	0	2,108
JL	Z840	Soar Valley Leisure Centre	0	36	(36)	0	(36)
SW	Z035	Markets Development Plan	17,100	4,138	12,962	0	12,962
SC	Z275	Town Hall - Floor Refurbishment	19,300	19,302	(2)	0	(2)
<u>Block Sums</u>							
JR	Z692	Community Sports Facility Programme	65,000	26,500	38,500	38,500	0
JR	Z052	Play Areas Disability Access Grants Scheme	17,100	10,000	7,100	7,100	0
JR	Z053	Play Areas Improvement Scheme - Phase I	70,200	13,583	56,617	56,600	17
JR	Z058	Outwoods/Wildlife Sites	1,500	949	551	500	51
SW	Z059	Centre Stage Venue Development Scheme - Grants	500	500	0	0	0
<b>Leisure &amp; Environment - Total</b>			<b>2,689,300</b>	<b>1,363,533</b>	<b>1,325,767</b>	<b>1,295,000</b>	<b>30,767</b>

Scheme Details				2008/09 Budget £	2008/09 Actual £	Gross Under/ Overspend(-) £	Carry Forward £	Saving/ Overspend(-) £
<b>Housing &amp; Health - General Fund</b>								
<b>Renovation Grants</b>								
DH	Z200	Renovation Grants		70,000	61,039	8,961	0	8,961
DH	Z210	Disabled Facilities Grants		695,000	608,468	86,532	0	86,532
DH	Z141	Regional Housing Pot Grant		150,000	125,007	24,993	25,000	(7)
<b>Social Housing Schemes</b>								
DH	Z131	Derwent HA - Empress Road, Loughborough		100,000	100,000	0	0	0
<b>Housing &amp; Health - General Fund - Total</b>				<b>1,015,000</b>	<b>894,514</b>	<b>120,486</b>	<b>25,000</b>	<b>95,486</b>
<b>Housing &amp; Health - HRA</b>								
EM	Z448	<u>Decent Homes</u>		1,503,900	1,618,913	(115,013)	0	(115,013)
TM	Z005	Programmed Non-Decent Homes - Central Heating		250,000	236,518	13,482	0	13,482
TM	Z011	Programmed Window Repairs		500,000	495,024	4,976	0	4,976
TM	Z402	Responsive Central Heating		785,000	799,674	(14,674)	0	(14,674)
TM	Z434	Asbestos Removal		40,000	47,526	(7,526)	0	(7,526)
TM	Z857	Housing Contracts Procurement Costs		318,300	318,300	0	0	0
TM	Z443	<u>Neighbourhood Renewal</u>		100,000	113,250	(13,250)	0	(13,250)
TM		Major Improvements to Void Properties in HRA		100,000	0	100,000	0	100,000
TM	Z300	<u>Disabled Adaptations</u>		400,000	394,219	5,781	0	5,781
TM	Z433	<u>Tenant Led Improvements</u>		50,000	31,608	18,392	0	18,392
<b>MRA Allocation - Sub-Total</b>				<b>4,047,200</b>	<b>4,055,032</b>	<b>(7,832)</b>	<b>0</b>	<b>(7,832)</b>
AK	Z116	Housing Management Information System Replacement		254,300	229,418	24,882	24,900	(18)
<b>Housing &amp; Health - HRA - Total</b>				<b>4,301,500</b>	<b>4,284,450</b>	<b>17,050</b>	<b>24,900</b>	<b>(7,850)</b>

