

AGENDA ITEM 9

COMMUNITY AND SOCIAL AFFAIRS COMMITTEE

24 JANUARY 2012

REPORT OF HEAD OF CENTRAL SERVICES

CAPITAL PROGRAMME MONITORING TO 31 DECEMBER 2011

1.0 PURPOSE OF THE REPORT

1.1 To update the Committee on the progress of schemes within the Capital Programme to 31 December 2011.

2.0 RECOMMENDATIONS

2.1 It is recommended that:-

- (a) the progress made on each capital scheme be noted and;
- (b) that Members approve the revised phasing of the Waterfield Leisure Pool projects for submission to the Policy, Finance & Admin Committee for further approval as set out in paragraph 5.4 and;
- (c) that Members approve the changes to the authorised spending on HRA schemes as set out in paragraph 5.6.

3.0 KEY ISSUES

3.1 Under the Capital Programme Project Appraisal System, monitoring of actual capital expenditure against authorised expenditure is undertaken on a regular basis and reported to the Management Team in its capacity as the Council's Programme Board. Appendix A gives details of the spending against budget for all schemes within this Committee up to 31 December which is the latest available information at the agenda date.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Policy and corporate implications were addressed in setting the current year's budget. There are no further policy and corporate implications arising from this report.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The financial implications for each scheme are as set out in Appendix A

5.2 The overall position for all capital schemes falling within this Committee is as set out below.

Capital Schemes	Allocated Funding 2011/12 Budget (Business Case Approved)	Authorised Funding 2011/12 (Business Case Approved)	Actual Expenditure to 31 Dec 2011	Balance to be Spent 2011/12 (Authorised funding less Actual)
	£'000	£'000	£'000	£'000
General Expenses	1,323	1,323	142	1,181
HRA	1,591	1,591	831	760

5.3 The forecast shows that there are likely to be variations on most schemes, mainly due to circumstances outside the control of the Council.

- 5.4 The most significant of these relates to the two projects related to the Waterfield Leisure redevelopment programme. Following approval of the final design it is anticipated that the phasing of the project will vary significantly from the original expectation and follows extensive consultation with members. In order to minimise the level of carry forward into 2012/13 and to ensure that authorised spending better reflects the anticipated spend it is recommended that approval be sought from PFA to re-align the phasing of the project accordingly. This would mean amending the authorised spending in the current year for the 2 projects from £829k and £26k to £150k and £10k respectively as indicated in the forecast column of Appendix A. This would result in project costs of £695k being transferred to 2012/13 (£679k for the redevelopment programme and £16k for the associated professional fees).
- 5.5 In addition, the affordable housing scheme at Somerby is subject to consultation with Nottingham Community Housing Association who will deliver the project. Current indications are that the project will now commence in early April 2012 at which time the agreed contribution will become due either in line with our local agreement or in line with matched contributions from LCC, in which case the budget would be carried forward into 2012/13
- 5.6 In relation to the HRA there are 6 schemes with forecast variations on their year end position due to the on-going need to respond to issues as and when they occur, when problems are identified and the substantial increase in the levels of capital void repairs. In light of this it is recommended that the authorised spending for all these schemes be amended to the amount shown in the forecast column of Appendix A with the £23k shortfall variance remaining on the void catch up repair budget. Whilst the forecast now indicates that the voids repairs spending is likely to exceed its budget, this is not certain and every effort will be made to keep expenditure within the current authorised budget.

6.0 LEGAL IMPLICATIONS

- 6.1 Legal implications/powers were addressed in setting the current year's programme. There are no further legal implications arising from this report.

7.0 COMMUNITY SAFETY

- 7.1 Individual schemes could have links to community safety issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

8.0 EQUALITIES

- 8.1 Individual schemes could have links to equalities issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

9.0 RISKS

- 9.1 These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

10.0 CLIMATE CHANGE

- 10.1 Individual schemes could have links to climate change issues. These should be covered in any associated reports and forms linked to those schemes as they progress through the decision making process.

11.0 CONSULTATION

- 11.1 Consultation takes place between project managers and the Senior Accountancy Assistant - Capital to determine the information included in Appendix A. Reports are also prepared on a quarterly basis for the Programme Board.

12.0 WARDS AFFECTED

- 12.1 To varying degrees all wards are affected by capital schemes within this Committee

Contact Officer: David Wallbanks

Date: 4 January 2012

Appendices: Appendix A – Capital Programme Progress Report – Dec 2011

Background Papers: Oracle Financial Reports
Budget Holder Comments on Performance

Reference: X: Ctte,Council & SubCttes/CSA/2011-12/24-1-12/DG-Capital Prog.
Monitoring-Dec 2011