

## POLICY, FINANCE AND ADMINISTRATION COMMITTEE

2 DECEMBER 2010

### REPORT OF HEAD OF CENTRAL SERVICES

#### CAPITAL PROGRAMME MONITORING TO 31 OCTOBER 2010

#### 1.0 PURPOSE OF THE REPORT

1.1 To update the Committee on the progress of schemes within the Capital Programme to 31 October 2010.

#### 2.0 RECOMMENDATIONS

2.1 It is recommended that:-

- (a) the progress made on each capital scheme be noted.
- (b) Members approve the change to the phasing of the Cattle Market Phase 1 project as detailed in paragraph 5.2.
- (c) Members approve the transfer of the remaining budget and funding for the Strategic IT Framework to 2011/12 to increase the project sum allowed for the Business Intelligence System as detailed in paragraph 5.2
- (d) Members approve the inclusion in the 2010/11 capital programme of the Virtual Servers project and the associated business case attached at Appendix B and approve a supplementary estimate of up to £20k from prudential borrowing.

#### 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 October 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 2010/11 Budget	Authorised Funding 2010/11 (Form B or Business Case Approved)	Actual Expenditure to 31 October 2010	Balance to be Spent 2010/11 (Authorised funding less Actual)
	£'000	£'000	£'000	£'000
General Expenses	4,999	4,999	625	4,374

Progress on schemes is generally satisfactory with the forecast for the year being broadly in line with authorised expenditure. There are 2 exceptions to this:-

The first relates to the Strategic IT Framework – Phase 2 Project. The balance on this scheme was intended to be used to procure a business intelligence system. It has been recognised that it is not realistic to procure a suitable solution within this budget. At its meeting in September 2010 the committee considered and approved the inclusion of a Business Intelligence project in 2011/12. It is recommended that the balance of the budget and proposed funding on the Strategic IT Framework budget for 2010/11 be added to the 2011/12 project sum to provide a more suitable budget for this project.

The second exception relates to the Cattle Market – Phase 1 Project. It was originally intended that the second payment would be made in March 2011 when the existing lease expired. However, negotiations have resulted in the existing lease being extended for an additional year. The effect of this is to make this second payment become due in March 2012. It is recommended that the balance of the budget and proposed funding be transferred to 2011/12 to reflect this change.

## **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: 15 November 2010

Appendices: Appendix A – Capital Programme Progress Report – October 2010  
Appendix B - Business Case – Server Consolidation

Background Papers: Oracle Financial Reports  
Budget Holder Comments on Performance

Reference: X:Committees/PFA/2010-11/2-12-10/DG-Capital Prog.Monitoring-October 2010