

Cabinet

22 February 2017



Title	Capital Monitoring Report		
Purpose of the report	To note		
Report Author	Adrian Flynn		
Cabinet Member	Councillor Howard Williams	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	Cabinet to note the current level of spend		
Reason for Recommendation	Not applicable		

1. Key issues

- 1.1 Attached as Appendix A & B is the actual spend to date on capital covering the period April to December 2016.
- 1.2 For the period ending December 2016, capital expenditure including commitments was £412m which represents (79.5%) of the revised budget (excluding the Knowle Green and £1.1m of the Housing opportunity project).
- 1.3 The projected outturn shows that we are anticipating to spend £454.5m which represents (87.7%) of the revised budget (excluding the Knowle Green and £1.1m of the Housing opportunity project).

Key issues

- 1.4 £8.1m of the £8.2m that has been allocated for Housing and Knowle Green relocation projects will not be spent in the current financial year and therefore will be removed from the 2016/17 programme and transferred to the 2017/18 capital programme.
- 1.5 *Acquisition of Assets*, Following on from the purchase of the BP site in Sunbury, the BP south west corner site & Elmbrook House were purchased in December 2016. Further acquisitions may take place before the end of the financial year and a carry forward request will be made at year end for the remaining budget that is unspent.
- 1.6 Accountancy were concerned to how realistic some of the outturn forecasts were at the end of Quarter 2 regarding some of the projects being completed by the end of the financial year. This was an issue that we kept an eye on during the 3rd Quarter to see if progress was being made and to evaluate if

some projects should be removed from 2016/17 and moved to the 2017/18 capital programme at the end of the 3rd Quarter. There are a number of projects which accountancy feel should be moved and some of these are detailed below.

Significant Developments/Variances

- 1.7 Disabled Facilities grant: We have received extra funding of £359k which will allow further grant payments to be made throughout the rest of the financial year.
- 1.8 Laleham Park Upgrade: The project has been redefined to address changes in the project and the Portfolio Holder's views. The project is expected to run over 2 financial years and therefore the project has been removed from the 2016/17 programme and transferred to 2017/18 programme.
- 1.9 Refuse/Recycling Vehicles: The vehicles have been ordered, but payment is not due till the summer of 2017, therefore the budget has been removed from the 2016/17 programme and transferred to the 2017/18 programme
- 1.10 Electronic Document Management system: Due to the resource requirements of the Harper and Bugle projects, delays have occurred but are now been rectified. However £108k of the budget will be removed from the 2016/17 programme and moved to the 2017/18 programme.
- 1.11 Sharepoint redesign: The project is under review and will be integrated with other ICT projects but will not be completed in this financial year. £70k of the budget will be removed from the 2016/17 programme and moved to the 2017/18 programme.
- 1.12 Small Scale Regeneration: The tendering exercise has taken place, but only a net £40k is expected to be spent in the current financial year, therefore the remaining net £310k will be removed from the 2016/17 programme and moved to the 2017/18 programme.

2. Options analysis and proposal

- 2.1 Cabinet are asked to note the current spend position.

3. Financial implications

- 3.1 Any underspend on the approved Capital Programme enables the authority to invest the monies to gain additional investment income or can be used to fund additional schemes.

4. Other considerations

- 4.1 Schemes which are currently incomplete and require a budget carry forward may have contractual obligations which could leave us liable to litigation if they are not allowed the funds to complete the works.

5. Timetable for implementation

Bi monthly monitoring reports are prepared for Management team and incorporate revised actual figures.

Background papers: None

Appendices: A+B

