



East Northamptonshire Council

Finance Sub Committee - 26 October 2009

Capital Budget Monitoring Report

Summary

This is a financial monitoring report as required by the Local Government Act 2003. It details capital spend against budget for the period ending 30 September 2009 and the likely outturn figure for the whole financial year.

Attachment(s)

Appendix 1 – Capital Programme Summary

1. Introduction

- 1.1. Part 2 of the Local Government Act 2003 made Member involvement in budget monitoring a statutory duty. This report is pursuant to this duty and details the financial position of the authority against the approved Capital Budget, but more importantly the likely financial outturn for the whole of the financial year.
- 1.2. This Report only deals with the Authority's Capital Monitoring. A separate Report covers the spend against Revenue Budgets.
- 1.3. For the purpose of this report it is only intended to highlight and provide explanations for high level variations of a material nature. Detailed information on individual variations can be obtained from principally the budget holder or the responsible officer, or in their absence through the Head of Resources.

2. Capital Budget Monitoring

- 2.1. Spend for the current financial year will be £741,710 more than the revised budget (see Appendix 1). The reasons for these variances are detailed below:
 - Disabled facilities grants – increased expenditure on these grants (see P&R report dated 12 October 2009) will result in an overall over spend of £225,000 on our grants budget. Resources Committee have asked this committee to consider how to fund this additional amount (see section 3 below)
 - Stanwick Lakes – spend is slightly higher for this year than originally anticipated. Any additional costs will be clawed back from future year budgets.
 - Manor Park project – profiled estimated spend for this project for this financial year is greater than originally anticipated. This is though purely a timing issue and the overall spend will remain within budget. Spend is obviously dependent on the tenders received for the construction of the facility and the final decision to go ahead with the project.
 - Raunds/Irthlingborough Improvements – over spend on the project.
 - Rushden Greenway – additional external funding of £165,000 has been received which will meet the expected spend on this project this year.
- 2.2. With the exception of Disabled Facility Grants and Raunds/Irthlingborough improvements the variances reported do not affect the overall four year capital programme as they are either timing issues (i.e. the spend is in a different year than expected) or it is covered by additional external contributions. It is expected that compensating savings on other projects/budgets will be found to offset the over spend on Raunds/Irthlingborough improvements.

3. Funding of Additional Disabled Facility Grants (DFGs)

3.1. In order to fund the additional spend on DFGs there is a requirement to remove or reduce planned expenditure from another area. It is clear that demand for DFGs is unlikely to diminish and as such we can immediately discount the option of adjusting future year budgets in this area. Budgets that are of sufficient size to be considered are:

- Support to Social Housing – we currently have £2.5m allocated in our budgets, of which £1m has been earmarked for the Manor House project.
- Stanwick Lakes Visitor Centre - £270,000 has been allocated across 2011/12 and 2012/13.
- Manor Park Project – there is little scope to find savings from this project unless, of course, it does not go ahead.
- Town Centre regeneration - £940,000 has been allocated to this area during 2010/11 and 2011/12.
- Vehicle Replacements – there is no scope to reduce the allocation of waste management vehicles without a significant revenue budget impact. Staff cars are already planned for review.
- ICT equipment – there may be scope to reduce the budget for certain projects however this could have implications for service delivery which will need to be quantified.

3.2. After considering the implications arising from each of the above, it is recommended that the Support to Social Housing budget is used to fund the £225,000 overspend on DFGs.

4. Recommendation

4.1. That the report be noted and the transfer of £225,000 from the Support to Social Housing budget to the Disabled Facilities Grant budget is agreed.

Implications:		
Corporate Outcomes or Other Policy/Priority/Strategy		
Good Quality of Life	<input type="checkbox"/> Good Reputation	<input checked="" type="checkbox"/>
Good Value for Money	<input checked="" type="checkbox"/> High Quality Service Delivery	<input type="checkbox"/>
Effective Partnership Working	<input type="checkbox"/> Strong Community Leadership	<input type="checkbox"/>
Effective Management	<input checked="" type="checkbox"/> Knowledge of our Customers and Communities	<input type="checkbox"/>
Employees and Members with the Right Knowledge, Skills and Behaviours		<input checked="" type="checkbox"/>
Other:		<input type="checkbox"/>
Decision(s) would be outside the budget or policy framework and require full Council approval		<input type="checkbox"/>
Financial	There are no financial implications at this stage	<input type="checkbox"/>
	There will be financial implications – see paragraph	<input checked="" type="checkbox"/>
	There is provision within existing budget	<input type="checkbox"/>
	Decisions may give rise to additional expenditure at a later date	<input type="checkbox"/>
	Decisions may have potential for income generation	<input type="checkbox"/>
Risk Management	An assessment has been carried out and there are no material risks	<input type="checkbox"/>
	Material risks exist and these are recorded at Risk Register Reference - 257 inherent risk score - Primary residual risk score - Contingency	<input checked="" type="checkbox"/>
Staff	There are no additional staffing implications	<input checked="" type="checkbox"/>
	Additional staff will be required – see paragraph	<input type="checkbox"/>
Equalities and Human Rights	There will be no impact on equality (race, age, gender, disability, religion/belief, sexual orientation) or human rights implications	<input checked="" type="checkbox"/>
	There will be an impact on equality (see categories above) or human rights implications – see paragraph	<input type="checkbox"/>

Legal	Power: Local Government Act 2003				
	Other considerations:				
Background Papers:					
Person Originating Report: Robert Austin, Head of Resources					
Date: 15 October 2009					
CFO		MO		CX	

(Committee Report Normal Rev. 19)

EXPENDITURE SUMMARY	2009/10				2010/11	2011/12	2012/13
	Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
Housing Projects	745,471	970,471	420,517	225,000	250,000	1,250,000	1,752,300
Leisure and Tourism Projects	530,000	555,940	65,871	25,940	111,000	205,000	250,300
Environment Projects	1,021,000	1,531,770	408,436	510,770	9,105,000	3,345,400	145,700
Central Services Projects	30,000	30,000	10,586	-	36,000	20,000	93,000
Corporate Systems	575,700	575,700	85,815	-	429,000	381,500	600,000
Youth Projects	66,000	46,000	18,000	(20,000)	45,000	-	-
Industrial Units Projects	56,000	56,000	26,001	-	-	-	5,000
Vehicle Replacements	218,300	218,300	27,282	-	154,400	1,245,100	1,669,800
Total	3,242,471	3,984,181	1,062,509	741,710	10,130,400	6,447,000	4,516,100

Cost Centre	Housing Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCF201	Disabled Facilities Grants	235,064	701,000	419,331	465,936	250,000	250,000	250,000
	Spire Homes Adaptation Agreement	75,000	75,000	-	-	-	-	-
JCF204	Decent Homes Grant - Insulation	435,407	194,471	1,187	(240,936)	-	-	-
JCF229	Financial Support to Social Housing	-	-	-	-	-	1,000,000	1,502,300
	Total	745,471	970,471	420,517	225,000	250,000	1,250,000	1,752,300

Cost Centre	Leisure and Tourism Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCF203	Village Hall Development	80,000	80,000	25,000	-	80,000	80,000	-
JCF230	Leisure Loans	25,000	25,000	-	-	25,000	25,000	-
JCJ291	The Pemberton Centre Rushden	-	-	-	-	6,000	-	50,000
JCJ314	Splash Pool Rushden Improvement Plan	-	-	-	-	-	-	10,000
JCJ354	Nene Community Centre - Repairs	10,000	10,210	10,215	210	-	-	-
JCJ374	TIC	-	-	-	-	-	-	20,300
JCJ381	Stanwick Lakes - Visitor Centre	415,000	440,730	30,657	25,730	-	100,000	170,000
	Total	530,000	555,940	65,871	25,940	111,000	205,000	250,300

Cost Centre	Youth Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCF236	Youth Opportunities: NCC provisional resources 08/09 onwards	66,000	46,000	18,000	(20,000)	45,000	-	-
	Total	66,000	46,000	18,000	(20,000)	45,000	-	-

Cost Centre	Environment Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCJ331	District Signage							16,800
JCJ363	Public Conveniences							62,000
JCJ371	Glass Collection/Kerbside Boxes	20,000	20,040	20,042	40	25,000	25,000	25,000
JCJ377	Environmental Improvements	55,000	55,000	702	-	40,000	40,000	
JCJ383	Raunds/Irthlingborough Environmental Impts	15,000	40,730	16,880	25,730			
JCJ386	Town Centre Regeneration	31,000	31,000	12,463	-	200,000	740,400	
JCJ407	Rushden Leisure Replacement	900,000	1,220,000	275,171	320,000	8,740,000	2,540,000	
JCJ429	Rushden Greenway	-	165,000	83,178	165,000	100,000		
JCJ605	District Car Parks							41,900
	Total	1,021,000	1,531,770	408,436	510,770	9,105,000	3,345,400	145,700

Cost Centre	Central Services Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCJ318	ENH Capital Repairs	30,000	30,000	10,586	-	10,000	20,000	20,000
JCJ329	Rushden Centre					6,000		
New	Colour Printer					20,000		66,000
New	Plan Printer							7,000
	Total	30,000	30,000	10,586	-	36,000	20,000	93,000

Cost Centre	Vehicle Replacements	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCJ600	Waste M'ment-Base Line. Service - Refuse						625,000	1,250,000
	Waste M'ment-Base Line. Service - Recycling						390,000	250,000
	Replacement Dog Warden Vans	16,600	16,600			33,200	-	49,800
	Waste M'ment-Base Line. Service - Cleansing						120,000	
JCJ601	Purchase of Company Cars	201,700	201,700	27,282		121,200	110,100	120,000
	Total	218,300	218,300	27,282	-	154,400	1,245,100	1,669,800

Cost Centre	Industrial Units Projects	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCF235	Road Adoption Kingsmead Kings Cliffe	36,000	36,000	14,891				
JCJ390	Industrial Units	20,000	20,000	11,110				5,000
	Total	56,000	56,000	26,001	-	-	-	5,000

Cost Centre	Corporate Systems	2009/10				2010/11	2011/12	2012/13
		Current Budget £	Estimated Outturn £	Actual £	Variance Outturn v Budget £	Estimate £	Estimate £	Estimate £
JCJ366	PARSOL	10,000	10,000					
JCJ389	Content Management System	90,000	90,000	46,464				
JCJ409	Replacement PC'S, Monitors & Laptops	46,300	46,300	1,561	39,000	78,500	39,000	
JCJ410	Replacement Printers & Scanners	65,000	65,000		60,000	30,000	55,000	
JCJ411	Replacement Servers	42,000	42,000	533	24,000	18,000	45,000	
JCJ412	Replacement Sun Server	18,700	18,700					
JCJ413	UPS for L12	7,000	7,000		7,000			
JCJ414	Replacing Router & Tape Backup	24,000	24,000		7,000	8,000	5,000	
JCJ415	Replacement Blackberries and Mobile Phones	6,000	6,000	195	6,000	6,000	6,000	
JCJ416	Licences	70,000	70,000	18,154	115,000	65,000	90,000	
JCJ417	Storage/Replacement SAN	46,200	46,200		13,000	160,000	20,000	
JCJ418	Council Chamber Project Screen				40,000			
JCJ420	2008/09 Network Cables & Switches	12,500	12,500	657	18,000	16,000	10,000	
JCJ423	Security Systems (ISO27001)/GovConnect	10,000	10,000					
NEW	ESRI - GIS Upgrade	45,000	45,000				30,000	
NEW	CAPS Solutions/ERMS	63,000	63,000	18,250	50,000		230,000	
NEW	Revenues and Benefits Upgrade	10,000	10,000		50,000		30,000	
NEW	Network Audit	10,000	10,000					
NEW	Telephone System						40,000	
	Total	575,700	575,700	85,815	429,000	381,500	600,000	