

COUNCIL MEETING – 25 NOVEMBER 2010

Recommendations to Council from the Executive meeting held on 2 November 2010

Minute No **Capital Programme Review**
E/10/82

The Executive considered a report from Councillor Maurice Jones, Portfolio Holder for Finance, Governance and People proposing a revised Capital Programme for 2010/11.

(NOTE: A copy of the report had been circulated with the Executive agenda to all Councillors.)

The Portfolio Holder reminded Members that Council in February 2010 approved the 2010/11 Capital Programme subject to an in year review to reduce the commitment to new borrowing. The outturn for the 2009/10 Capital Programme spend was £0.609M greater than planned and gave rise to an immediate pressure.

Members were advised that £1.53M of new capital receipts had since been forecast, which more than covered the 2009/10 shortfall. £0.938M had also been identified through external funding for Housing Assistance, along with a reduced requirement for temporary school accommodation which equated to 17% less borrowing than planned. However, meeting a £0.468M pressure on Disabled Facilities Grants produced a net reduction in overall borrowing of 11%.

The review also recommended £0.170M be spent implementing the Council's Web Strategy although the additional capital financing costs would be met from revenue efficiencies in 2011/12. It was noted that more detailed profiling of spend for individual schemes had also been undertaken which would improve in year reporting of the Capital Programme.

The Portfolio Holder in moving his recommendations, which were duly seconded, withdrew exempt Appendix D as it detailed work in progress and had no impact on the recommendations. As a result of Appendix D being withdrawn, the last sentence of paragraph 27 was deleted. The Portfolio Holder then proposed an amendment to recommendation 5 (Resolution 4 below), which was duly seconded:

That no future additional commitments be entered into in advance of the Local Government Finance Settlement and Budget Report to Council in February 2011.

During the ensuing debate the Portfolio Holder responded to comments and questions raised by the Executive and non-Executive Members in attendance.

Reason for decision: To reduce the Authority's new borrowing requirement in line with the request by Council in February 2010.

RECOMMENDED TO COUNCIL

that the updated Capital Programme of £30.717M for 2010/11, as set out in columns 10 to 12 of the summary in Appendix A of the submitted report, be approved.

RESOLVED

- 1. that slippage of £2.832M to the 2011/12 Capital Programme, as set out in columns 19 to 21 of the summary in Appendix A of the submitted report, be noted.**
- 2. that, subject to the recommendation above, the 11% reduction in the borrowing requirement for 2010/11 Capital schemes, be noted.**
- 3. that the potential pressures on the Capital Programme for 2012/13, as detailed in the submitted report, be noted.**
- 4. that no future additional commitments be entered into in advance of the Local Government Finance Settlement and Budget Report to Council in February 2011.**

[Please note that a copy of the report can be found on the Central Bedfordshire Council web site using the following link:

<http://www.centralbedfordshire.gov.uk/modgov/mgConvert2PDF.aspx?ID=19918>