
Meeting: Executive
Date: 23 August 2011
Subject: Capital Budget - Quarter 1 Monitor
Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: The report provides information on the Quarter 1 Capital Budget Management position.

Advising Officer: John Unsworth, Assistant Chief Executive Resources
Contact Officer: Charles Warboys, Chief Finance Officer
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in (if
appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

Sound financial management contributes to the Council's value for money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 5 Council priorities

Financial:

The financial implications are set out in the report

Legal:

None

Risk Management:

None

Staffing (including Trades Unions):

None

Equalities/Human Rights:

None.

Community Safety:

None

Sustainability:

None

Summary of Overview and Scrutiny Comments:

The report will be presented to Customer and Central Services Overview and Scrutiny Committee on 5 September 2011.

RECOMMENDATION(S):

1. that the Executive

Notes the Capital spend to date, excluding HRA is £13.448M and is £3.6M gross below budget, year to date and endorses a detailed review of the Capital Programme that will be reported to the Executive on 15th November 2011.

Reason for Recommendation(s): To facilitate effective financial and asset management and planning.

Executive Summary

The report sets out the capital financial position for 2011/12 based on information as at the end of June. Key points to note are set out below in section 1. It is intended this report will enable the Executive to consider the overall capital position of the Council and agree further actions to deliver a realistic programme at year end.

Included in this report are some improvements in the appendices to facilitate more informed decision making. Further improvements are planned including graphical presentations of spend trends and financial performance.

KEY HIGHLIGHTS (Appendices A1, A23)

1. The gross programme, including slippage from 2010/11, excluding HRA is £92.7M (£28.0M net).

The main issues to note are:

- £38.9M (42%) of the gross budget relates to 10 of the top value schemes. Of the £13.4M gross spend to date £6.9M (52%) relates to these schemes.
- The net receipt of £4.4M reflects the invoicing of GAF funding from Luton Borough Council for the M1/A5 link road.
- The disabled facilities grant programme is over committed by £0.7M
- Early indications are that there will be some slippage into 2012/13.

CONCLUSIONS

2. The level of capital spend required to deliver the budgeted gross programme of £92.7M will be more than twice the average level of monthly spend achieved in 2010/11. Therefore there remains concern regarding the Council's capacity to deliver the full programme.
- 2.1 Some work has been done on re-profiling the budgets and identifying potential slippage. Work is ongoing and a thorough detail review will be undertaken during August. The outcome will be reported to the meeting of the Executive in November.

Appendices:

Appendix A1 – Council Capital Summary

Appendix A2 – Top 10 Schemes

Background Papers: (open to public inspection)

None

Location of papers:

Technology House, Bedford