
Meeting: Social Care, Health & Housing Overview and Scrutiny Committee
Date: 24 October 2011
Subject: Capital Budget Management 2011/12
Report of: Cllr Carole Hegley, Executive Member for Social Care, Health & Housing.
Summary: The report provides information on the Directorate capital financial position as at the end of June 2011

Advising Officer: Julie Ogley, Director of Social Care, Health & Housing.
Contact Officer: Nick Murley, Assistant Director Business & Performance
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. Sound financial management contributes to the delivery of the Council's value for money, enabling the Council to successfully deliver its priorities.

Financial:

2. The financial implications are set out in the report.

Legal:

3. Not applicable.

Risk Management:

4. Not applicable.

Staffing (including Trades Unions):

5. Not applicable.

Equalities/Human Rights:

6. Not applicable.

Community Safety:

9. Not applicable.

Sustainability:

10. Not applicable.

Procurement:

11. Not applicable.

RECOMMENDATION(S):

The Committee is asked to note the Capital position as at the end of June 2011.

Status of the Programme

12. The following table summarises the position as at the end of the third quarter.

13. Table 1 Capital programme summary

14.

	Full Year Forecast Variance						
	Gross Expend. Budget	Gross Income Budget	Net Total	Gross Expend. Budget	Gross Income Budget	Net Total	Variance
Directorate	£m	£m	£m	£m	£m	£m	£m
Disabled Facility Grants (DFG)	2.551	(0.880)	1.671	2.976	(0.588)	2.388	0.717
Renewal Assistance	0.395	(0.044)	0.351	0.244	(0.044)	0.200	(0.151)
NHS Campus Closure	7.843	(7.843)	0	4.430	(4.430)	0	0
Timberlands	0.931	(0.699)	0.232	0.931	(0.699)	0.232	0
Empty Homes	0.200	(0.040)	0.160	0.200	(0.040)	0.160	0
Unallocated Grants	0.261	0	0.261	0.261	0	0.261	0
Sub Total	12.181	(9.767)	2.414	9.042	(6.062)	2.980	0.566
HRA	4.713	0	4.713	5.056	0	5.056	0.343
Total	16.894	(9.767)	7.127	14.098	(6.062)	8.036	0.909

General Fund Programme

15. There is potential demand within the DFG programme to result in an over spend of between £0.7m and £1.0m. It will be very difficult to suppress this demand without entailing significant reputational damage to the Council. Whilst there may be opportunities to fund the demand from available Social Care grant funding in 2011/12 this pressure is likely to continue into 2012/13 and beyond, so other solutions will have to be found for the future.
16. The Council will have to consider if it wishes to increase the resources allocated to the scheme or increase the waiting times on awarding grants. This will be considered as part of the review of the Capital Programme that will be reported to the Executive in November 2011.
17. Expenditure on the Renewals programme is under profile by £0.046m due to slippage from 2010/11. It is anticipated that of the £0.185m of slippage from 2010/11, £0.040m will be required for the Renewals programme, whilst the remainder will assist with overspends on the Disabled Facilities Grants (DFG) programme.
18. On the Timberlands project, final proposals about the required number of pitches is in the process of being agreed before more accurate expenditure estimates can be ascertained.
19. The Campus Closure Programme is projecting slippage of £3.413m into 2012/13 although there will be no impact on the overall capital programme as it is fully grant funded.
20. The unallocated grants will be used to fund ICT and other recovery activity and will be fully utilised during the year.

Housing Revenue Account Programme

21. The Housing Revenue Account capital programme is currently behind budget profile by £354k but this is partially due to delays in invoices being received for accruals from the previous financial year, and is expected to return to profile by the end of quarter 2.
22. There is a projected over spend of £0.343m which is a result of accounting treatment of capitalised salaries. There will be no impact on the overall programme as the revenue account will make a contribution to finance the programme as a compensatory adjustment.

Appendices:

Appendix A – General Fund position by Capital Project

Appendix B – HRA position by Capital Project

Background papers and their location: None