

---

**Meeting:** Executive  
**Date:** 6 December 2011  
**Subject:** Capital Budget – Quarter 2 Monitor  
**Report of:** Cllr Maurice Jones, Executive Member for Corporate Resources  
**Summary:** The report provides information on the Quarter 2 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 and supports all of CBC's priorities. The Priorities are:

- Supporting and caring for an ageing population.
- Educating, protecting and providing opportunities for children and young people.
- Managing growth effectively.
- Creating safer communities.
- Promoting healthier lifestyles.

### **Financial:**

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

### **Legal:**

2. None

### **Risk Management:**

3. None

### **Staffing (including Trades Unions):**

4. Not Applicable.

### **Equalities/Human Rights:**

5. In developing the budget the Council must ensure that decisions were made in such a way as to minimise unfairness, and that there was not a disproportionately negative effect on people from different ethnic groups, disabled people, and men and women.

The statutory equality duties must be exercised in substance, with rigour and an open mind. To ensure that they have complied with the equality duties, and to ensure that any decision made does not unfairly discriminate, public authorities should:

- carry out robust equality impact assessments and consult and involve relevant stakeholders as part of the decision-making process;
- consider all relevant, available information in order to anticipate any likely negative impact and to seek to avoid that negative impact by taking alternative courses of action wherever possible;
- keep an adequate record showing that they had actually considered their equality duties and pondered relevant questions;
- be rigorous in both inquiring and reporting to Members the outcome of the assessment and the legal duties. When decisions are made, decision makers must have the relevant data, including the results of equality impact assessment, and of consultation and involvement, to ensure they reach an informed decision.

Any changes to the Council's Budget as a result of this budget monitoring report will result in further equality impact assessments being undertaken as necessary.

### **Community Safety:**

6. Not Applicable.

### **Sustainability:**

7. Not Applicable.

### **Procurement:**

8. Not Applicable.

### **Overview and Scrutiny:**

9. This matter will be considered by the Customer and Central Services Overview and Scrutiny Committee in November.

## **RECOMMENDATIONS:**

### **The Executive is asked to:**

- 1. note the Capital gross spend of £28.2M is below the profile budget; and**
- 2. note that the report is based on the position as at the end of September. The Executive decisions relating to the review of the programme reported on 15 November are not reflected.**

<i>Reason for Recommendations:</i>	To facilitate effective financial management and planning.
------------------------------------	--

## **Executive Summary**

10. The report sets out the capital financial position for 2011/12 based on the end of September. It sets out the spend to date against the profiled budgets. Key points to note are set out below in section 12. 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.

## **KEY HIGHLIGHTS (Appendices A1,A2)**

### **11. In Summary**

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

The programme review was reported to the Executive on 15 November. As this report relates to the end of September, the Executive's decisions from the meeting on 15 November are not reflected.

### **12. The main issues to note are:**

- i) Gross spend to date is £28.2M (£26.6M excluding HRA) which is 29% of the budget and £5.2M below the budget year to date (YTD) profile.
- ii) The average monthly gross run rate is £4.7M which would amount to £56.5M if continued for the remainder of the year. However, this does not take account of seasonal spend and one off's as identified in iv) below.
- iii) £67.1 M (63%) of the gross budget relates to 20 of the top value schemes which include HRA £22.8M (81%) of the gross spend relates to the these schemes.
- iv) Some one off costs are scheduled for March e.g. A5/M1 Link (£2.5M), capitalisation of redundancy (£2.0M) and Flitwick Land purchase £1.8M.
- v) The disabled facilities grant is overcommitted by £0.7M.
- vi) The YTD profile is based on the reviewed programme.

## **CONCLUSION**

13. The level of capital spend required to deliver the budgeted gross programme will be more than twice the average level of current monthly spend. The capital programme review takes this into account and identifies slippage to future years to identify a more realistic programme for the remainder of this year and future years.

### **Appendices:**

Appendix A1 – Council Capital Summary

Appendix A2 – Top 20 Schemes

Appendix A3 – Graphical Analysis

**Background Papers:** Capital Programme Review – Executive 15 November 2011.