
Meeting: Executive
Date: 3 July 2012
Subject: Provisional Capital Outturn 2011/12
Report of: Councillor Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: The report provides information on the provisional capital outturn for 2011/12, subject to audit.

Advising Officer: Charles Warboys, Chief Finance Officer
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)** Not applicable

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:

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

Legal:

2. None.

Risk Management:

3. None.

Staffing (including Trades Unions):

4. Any staffing implications will be dealt with in accordance with the Council's Managing Change Policy and in consultation with the Trades Unions.

Equalities/Human Rights:

5. Equality Impact Assessments were undertaken prior to the allocation of the 2011/12 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Public Health:

6. None.

Community Safety:

7. None.

Sustainability:

8. None.

Procurement:

9. None.

Overview and Scrutiny:

10. The provisional capital outturn 2011/12 will be considered by the Corporate Resources Overview and Scrutiny Committee on 31 July 2012.

RECOMMENDATIONS:**The Executive is asked to:**

1. **note the outturn position which is an under spend of £21.5M gross, £10.3M net; and**
2. **note the transfer of budgets for capital schemes in progress from 2011/12 to 2012/13, funded by £8.4M external capital receipts and £13.6M CBC contribution, as approved by Council on 14 June.**

Reason for Recommendations: To complete schemes currently underway and facilitate effective financial management and planning.

Executive Summary

11. The report sets out the provisional capital outturn position for 2011/12 based on the end of March. Explanations for the variances are set out below under the Directorate under spend summary. This report enables Executive to review the overall capital position of the Council.

INTRODUCTION

12. At the Executive meeting of 15 May the transfer of £16.6M capital budget between financial years 2011/12 and 2012/13 was recommended to Council, based on the latest forecast available at that time.
13. On 14 June Council approved this transfer having been updated with the final figures contained in this report.

KEY HIGHLIGHTS

14. In Summary
15.
 - Provisional outturn gross under spend of £21.5M against the approved budget of £86.5M (24.9%).
 - CBC contribution under spend of £10.1M against the approved budget of £28.9M (34.9%).
 - Proposed transfer of gross capital expenditure from 2011/12 to 2012/13 of £22.0M, of which £8.4M is externally funded.
16. Directorate Under Spend Summary
17. The main areas of under spend are:
18. Adult Social Care
£4.3M, mainly as a result of work continuing on the NHS campus closure and delays to works at the Timberlands and Chiltern View travellers' sites. This represents 35% of the approved budget.
19. Children's Services
£7.3M, largely due to the timing of Schools Capital Maintenance grant funded expenditure and work on Roecroft Lower School relocation and All Saints Academy. This represents 24% of the approved budget.
20. Sustainable Communities
£5.3M across a broad range of schemes including Flitwick and Dunstable town centre regeneration. This represents 17% of the approved budget.
21. Corporate Services
£4.3M across a significant number of schemes, mainly relating to property and ICT. This represents 58% of the approved budget.

22. Detail of Capital Programme 2011/12

23. The summary outturn by directorate is given at Appendix A. An explanation of the balances is shown in the table below.

£000s	Gross Expenditure	External Funding	Net CBC Contribution
Full Year Variance	(21,543)	11,209	(10,334)
Over / (Under) Spend on work completed	1,106	(583)	1,689
Total variance to original estimate	(22,649)	10,626	(12,023)
Proposed transfer to 2012/13	22,289	(8,693)	13,596
Balance	(360)	1,933	1,573

24. The balance figures are the result of:

- re-forecasting of scheme costs since the original approval in November 2011;
- variances from the anticipated levels of both ring-fenced and non-conditional external funding available;
- increased residual commitments on schemes recently completed; and
- not pursuing schemes already approved due to changing circumstances or priorities.

25. A full list of capital schemes undertaken during 2011/12 is given at Appendix B. This contains additional information on reasons for variances.

26. A list of the Top 20 schemes across directorates is given at Appendix C. Details of the progress made in delivering these schemes is contained in the Appendix.

Appendices:

Appendix A – Summary outturn by directorate

Appendix B – Full list of capital schemes

Appendix C – Top 20 schemes

Background Papers: (open to public inspection)

None