
Meeting: Corporate Resources Overview and Scrutiny Committee
Date: 17 December 2013
Subject: Quarter 2, 2013/14 Capital Budget Monitoring Report - Corporate Resources Directorate
Report of: Cllr M Jones, Executive Member for Corporate Resources
Summary: The report sets out the capital outturn position at September 2013.

Advising Officer: Charles Warboys, Chief Finance Officer
Contact Officer: Phil Ball, Senior Finance Manager (Corporate Resources)
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. 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:

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

Legal:

3. There are no direct legal implications arising from the report.

Risk Management:

4. Sound financial management and budget monitoring mitigates adverse financial risks.

Staffing (including Trades Unions):

5. Not Applicable.

Equalities/Human Rights:

6. Public Authorities must ensure that decisions are made in a way which minimises unfairness and without a disproportionately negative effect on people from different ethnic groups, disabled people, women and men. It is important that Councillors are aware of this duty before they take a decision.
7. Equality Impact Assessments were undertaken prior to the allocation of the budgets and each Directorate was advised of any significant equality implications relating to their budget proposals.

Community Safety:

8. Not Applicable.

Sustainability:

9. Not Applicable.

Procurement:

10. Not applicable.

RECOMMENDATION(S):**The Committee is asked to:-**11. **Note and Consider the report.**12. **Executive Summary**

13. The report sets out the capital financial position for 2013/14 as at the end of period 6. It sets out the latest budget and the year end outturn. The 2013/14 net Capital Budget for Corporate Resources (including slippage from 2012-2013) is £16,603k.

14. **Net Capital Forecast Outturn**

	Full Year Budget	Forecast	Expected Slippage to 14/15	Variance	Budget YTD	Actual	YTD Variance
Service	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Info Assets	2,066	1,958	338	230	775	512	-263
Others	2,136	2,363	0	227	809	824	15
Imp & Corp Serv Subtotal	4,202	4,321	338	457	1,584	1,336	-248
Corp Res	12,401	9,878	2,314	-209	5,136	2,390	-2,746
Totals	16,603	14,199	2,652	248	6,720	3,726	-2,994

15. **KEY HIGHLIGHTS (Appendices A1 & A2)**16. **Capital – Improvement & Corporate Services**

17. The current capital programme for Improvement & Corporate Services is £4,202k. This includes £2,043k of funding for 13/14 schemes and slippage of £2,159k from previous years. There is £2,066k of budget allocated to Information Assets (IA) projects with £2,136k for other schemes. Some of the major ones include SAP Optimisation (£373k), Customer First (£881k) & Health & Safety Rolling Programme (£852k).

18. For Improvement & Corporate Services projects there is a forecast outturn of £4,659k against budget causing an expected over spend of £457k. This is as a result of expected over spends on two projects. The significant pressures predicted are Your Space 2 (IA) £230k and Customer First £200k.

19. Of the £4,202k budget in Improvement & Corporate Services there is £338k of cost expected to be incurred in future financial years. Capital budget is proposed to be slipped from the current year to cover this. The two schemes involved are both within IA, ECM Implementation (£100k) & Consolidation of Applications (£238k).
20. **Capital – Corporate Resources**
21. The current net capital programme for Corporate Resources is £12,401k. These projects are all within Assets and some of the major schemes are 13/14 Corporate Property Rolling Programme (£4,649k), A1 South Roundabout – Biggleswade (£2,200k), Ivel Medical Centre (£1,000k) & Acquisition of land south of High St Leighton Buzzard (£1,000k).
22. The forecast outturn position on for Corporate Resources is currently showing a £209k underspend. There are a number of projects expecting small variances at year end (see Appendix A2).
23. Due to various timing changes to project delivery schedules there is currently £2,314k expected to be slipped into 2014/15. The A1 South Roundabout – Biggleswade is projecting £1,300k to now be spent in 14/15 due to a delay in the commencement of the project. There is also an expected delay on the start of the Ivel Medical Centre project following changes to the way the NHS runs its commissioning process the project has been delayed and expected to slip £800k to 14/15.
24. There is a YTD underspend in Corporate Resources Capital of £2,746k. The A1 South Roundabout – Biggleswade is currently £645k underspent as a result of the commencement of the project being delayed.
25. The delay in the commencing of the Ivel Medical Centre mentioned above has resulted in a £125k YTD underspend. There has been no spend against a YTD budget of £125k
26. There has also been a delay in the Acquisition of Cattle Market & Parkridge Land. The purchases (£1m) were budgeted to be made in September but are now expected to happen in November and December.
27. The Corporate Assets Rolling Programme is currently £850k underspent YTD. This is due to a number of delays with spend across various parts of the rolling programme (£224k Tiddenfoot - M&E & Roofing works, £295k Leighton Buzzard library refurb & roofing, £170k Parkside HWS, £75k Watling canteen works, and £60k Linsell House M&E works). There are also a number of delays to smaller Capital schemes resulting in a net YTD underspend of £126k.

Appendices:

Appendix A1 – Capital Summary- Improvement & Corporate Services

Appendix A2 – Capital Summary- Corporate Resources