

Central Bedfordshire Council

EXECUTIVE - 10 February 2015

December 2014 Q3 Capital Budget Monitoring

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources (cllr.maurice.jones@centralbedfordshire.gov.uk)

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This report relates to a Non Key Decision

Purpose of this report

1. The report provides information on the projected capital outturn for 2014/15 as at December 2014. It excludes the Housing Revenue Account which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. **Consider the overall forecast position which is to spend £91.9 vs. budget of £116.8m.**
2. **Request officers to examine their forecast spend to determine how realistic the proposals are to defer spend into 2015/16.**

Issues

2. Gross forecast is to spend £91.9M (£95.1M in November) compared to a budget of £116.8M. A detailed analysis is included at Appendix A.
3. The variance of £24.9M includes proposed deferred spend of £20.4M mainly on Transport/Waste schemes, and spend below budget of £4.5M mainly relating to Waste (£7.6M), mainly offset by spend above budget on Schools of £2.0M (due to timing of Grants).
4. An analysis of the main schemes (variance > £0.5M) that are proposed to be deferred and spend below/above budget is included at Appendix B.
5. The spend above budget in Children's Services relates to grants for Schools capital which are received after the capital budget is agreed by Council. The forecast within Children's Services reflects the funding available, the majority of the spending is externally funded.

6. Gross spend to date is £60.3M, below budget by £9.1M (spend last year to period 9) was £48M, below budget by £3.9M).
7. £87.4M (75%) of the gross budget relates to 20 of the top value schemes. £68.6M (75%) of the gross spend forecast relates to these schemes.
8. Year to date capital receipts are £644K compared to budget of £7.45M. The forecast is £1.404M which includes the transfer of a property to the HRA (£0.21M).
9. A summary of the position is in the table below.

Directorate	Year to Date P9			Full Year 2014/15			Year to Date P9			Full Year 2014/15		
	Gross Budget £m	Gross Actual £m	Gross Variance £m	Gross Budget £m	Gross Forecast Outturn £m	Gross Variance £m	Net Budget £m	Net Actual £m	Net Variance £m	Net Budget £m	Net Forecast Outturn £m	Net Variance £m
CS	18.9	18.8	(0.0)	25.7	27.7	2.0	0.4	0.3	(0.1)	0.6	0.6	0.0
Community Service	37.6	32.2	(5.4)	67.8	45.6	(22.3)	27.3	25.2	(2.1)	53.9	32.4	(21.6)
Improvement & Corporate Improvement	7.2	5.7	(1.6)	11.7	10.1	(1.6)	7.2	5.7	(1.6)	11.7	10.1	(1.6)
Regeneration	0.9	0.4	(0.6)	3.4	2.2	(1.2)	0.6	(0.6)	(1.2)	1.4	0.3	(0.8)
ASCHH	4.8	3.2	(1.6)	8.2	6.3	(1.9)	1.5	1.7	0.2	2.7	1.9	(0.8)
Total Exc HRA	69.5	60.3	(9.1)	116.8	91.9	(24.9)	37.1	32.3	(4.8)	70.3	45.3	(25.0)

(Note: Any minor rounding differences are due to linking to detailed appendices)

Reasons for decision

10. To complete schemes currently underway and facilitate effective financial management and planning.

Council Priorities

11. 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.

Corporate Implications

Legal Implications

12. None

Financial Implications

13. The financial Implications are contained in the appendix to the report.

Equalities Implications

14. Equality Impact Assessments were undertaken prior to the allocation of the 2014/15 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Conclusion and next Steps

15. The budget for 2014/15 (including proposed deferred spend) is significantly higher than the levels of gross spend achieved over the past years (£72.3M in 2013/14 and £64.4M in 2012/13). The forecast as at December 2014 is to spend £91.9M. Year to date spend last year was £48M compared to £60.3M this year.
16. The run rate of spend in 2015/16 strongly indicates that spend this year will be significantly greater than in previous years.

Appendices

- Appendix A – Detailed Directorate Commentary
- Appendix B – Scheme with Material Variances