

Central Bedfordshire Council

EXECUTIVE

4 August 2015

June 2015 – Quarter 1 Capital Budget Monitoring Report

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
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This report relates to a Non Key Decision

Purpose of this report

1. The report sets out the projected capital outturn position for 2015/16 as at June 2015. Explanations for the variances are set out below. This report enables the Executive to review the overall capital position of the Council.

RECOMMENDATIONS

The Executive is asked to:

1. note that the forecast outturn is to spend £128.3M (£128.3M in February) vs. budget of £138.3M. The variance of £10.3M (£10.3M in February) includes proposed deferred spend of £7.8M; and
2. approve the virement of £2.437M from the HWRC Redevelopment project to the Thorn Turn waste park and also the Depot and Salt barn – north Project. (See paragraph 19e).

BACKGROUND INFORMATION:

2. This report is based on the 2015/16 budget approved by Council at its 26 February 2015 meeting. The reported budget also includes proposed deferred spend from 2014/15 which was approved by the Executive on the 7 July 2015.

ISSUES: None

FINANCIAL AND OTHER OPTIONS: These are covered in the report.

3. i) The approved budget including deferred spend from 2014/15 (approved by Executive in July) but excluding HRA is £138.5M (gross). The gross forecast is below budget by £10.3M (£4.8M last year against a lower budget of £134.7M). The net forecast is £5.8M below budget.
- ii) The main reason is that Community Services are only currently forecasting to spend the grant of £1M that has been secured on the A421 (M1 J13) project. The remaining £6M spend on the scheme will only proceed once the remaining grant has been secured (anticipated 2016/17).
- iii) Children's Services are also expecting to spend £2.4M less than budgeted on New School Places, due to an update in the grant allocation for 2015-16 and a revised programme of delivery.
- i) YTD Spend is £10.4M below budget (£9.1M Q1 last year). Actual spend is £19.1M compared to £21.8M last year. This is a surprisingly low year to date position and is partly driven by work due but not yet started on the Woodside Link (£2.7M); delays to the A421 (M1 J13) project (£1.4M) and lower than expected spend on highways (£3M). It is expected that spend in these areas will catch up during the year.
- ii) YTD Capital Receipts are £204k, the full year budget is £13.1M
- iii) A summary of the position is in the table below.

Directorate	Year to Date P03			Full Year 2015/16			Year to Date P03			Full Year 2015/16		
	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	4.8	4.7	(0.1)	31.3	29.8	(1.5)	0.2	0.2	(0.0)	2.7	0.6	(2.1)
Community Service	16.9	8.1	(8.8)	89.7	81.1	(8.6)	(0.6)	(0.4)	0.2	60.0	56.4	(3.6)
Improvement & Corporate Services	0.9	0.4	(0.5)	6.2	6.2	0.0	0.9	0.4	(0.5)	6.2	6.2	0.0
Corporate Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regeneration	1.1	1.0	(0.1)	3.5	5.4	1.8	0.0	0.1	0.1	1.4	1.8	0.5
ASCHH	1.4	0.6	(0.8)	7.8	5.8	(2.0)	0.4	(0.2)	(0.6)	2.9	2.4	(0.6)
Total Exc HRA	25.1	14.8	(10.4)	138.5	128.3	(10.3)	0.9	0.1	(0.8)	73.2	67.4	(5.8)

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

Reasons for decision

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

Council Priorities

5. 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

6. None

Financial Implications

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

Equalities Implications

8. Equality Impact Assessments were undertaken prior to the allocation of the 2015/16 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Appendices

Appendix A – Detailed Directorate Commentary