
September 2017 Quarter 2 Capital Budget Monitoring Forecast Outturn Report

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This report relates to a Non Key Decision

Purpose of this report

1. The report sets out the Capital forecast outturn for 2017/18 as at the end of September 2017. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. **note that the gross forecast outturn of £96.8M, excluding HRA but including deferred spend from 2016/17, is below the approved budget by £13.9M (£3.7M below last year against a higher budget of £132.6M); and**
2. **note that the net forecast is £3.7M below budget (£2.4M below budget at the same stage last year).**

BACKGROUND INFORMATION:

2. This report is based on the 2017/18 budget approved by Council at its 23 February 2017 meeting. The reported budget also includes deferred spend from 2016/17 which was approved under delegated authority and subsequently approved by the Executive on the 20 June 2017. The reported budget includes a further £8M approved at Council in July 2016 for Strategic Acquisitions. The approved budget excluding HRA and including deferred spend from 2016/17 is £110.7M (gross).

ISSUES: None.

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

3. **Forecast Outturn**

Principal variances

- i) Regeneration and Business Support are forecasting to be below budget by £10.6M (gross) and £2M (net). This primarily relates to the M1-A6 scheme, at present the forecast only reflects the confirmed funding.
- ii) Community Services are forecasting to be below budget by £3.8M (net). There are a number of schemes that this relates to, however the most significant are : Biggleswade property regeneration (Century House) where £0.9M is forecast deferred spend, Crematorium forecast deferred spend of £1.6M, Depot and salt barn North forecast deferred spend of £3.1M, CCTV forecast deferred spend of £0.5M and New car parks forecast deferred spend of £0.6M. This is partially offset by a forecast £3M external funding deferred for Flitwick Leisure Centre redevelopment.
- iii) The entire £8.0M strategic acquisitions budget is forecast to be spent in 2017/18. There are no current projects being worked on.
- iv) Social Care, Health and Housing are forecasting to be below budget by £3.8M (gross) and £1.4M (net). The Review of Accommodation/ Day support scheme is forecast to be over budget by £0.124M due to rephasing of the project, whilst the NHS Campus Closure scheme is forecast to be below budget by £0.143M (net) due to delays in production of a scheme outline.
- v) Children's Services are forecasting to be above budget by £4.2M (gross) and on budget (net).The increased expenditure is funded wholly by grant and S106 receipts and is as a result of the annual review of projects within the New School Places programme.

Year to Date (YTD)

- vi) YTD Gross Spend is £12.3M below budget (£12.4M below budget last year). Actual spend is £26.1M (last year was £41.1M).

Capital Receipts

- vii) The overall budget for Capital receipts is £12.0M.
- viii) To date we have received £16.6M (net).
- ix) The forecast is £46.7M gross (subject to costs and disaggregation).

A summary of the position is in the table below.

Directorate	Year to Date P06			Full Year 2017/18			Year to Date P06			Full Year 2017/18		
	Gross Budget	Gross Actual	Gross Variance	Gross Budget	Gross Forecast	Gross Variance	Net Budget	Net Actual	Net Variance	Net Budget	Net Forecast	Net Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
CS	8.0	8.3	0.4	13.1	17.2	4.2	0.2	0.2	(0.1)	0.5	0.5	(0.0)
Community Service	21.5	14.4	(7.1)	66.8	63.0	(3.7)	11.9	7.1	(4.9)	42.4	46.2	3.8
Chief Executive's	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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	7.6	2.5	(5.1)	19.8	9.2	(10.5)	2.9	(0.1)	(3.0)	9.7	3.4	(6.2)
ASCHH	1.4	0.9	(0.5)	11.1	7.3	(3.8)	0.7	(0.6)	(1.4)	6.8	5.4	(1.4)
Total Exc HRA	38.4	26.1	(12.3)	110.7	96.8	(13.9)	15.8	6.4	(9.3)	59.4	55.6	(3.7)

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

Reasons for decision

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

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 6 Council priorities.

Corporate Implications

Legal Implications

- None.

Financial Implications

- The financial Implications are contained in the report.

Equalities Implications

- Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and Members were advised of significant equality implications relating to the budget proposals when setting the Council's Budget in February 2017.

Appendices

Appendix A – Detailed Directorate Commentary