

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

28th July 2010

CAPITAL PROGRAMME OUTTURN 2009/10

Relevant Portfolio Holder	Cllr Michael Braley, Portfolio Holder for Corporate Management
Relevant Head of Service	Teresa Kristunas
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To report on the actual expenditure and funding of the capital programme for 2009/10.
- 1.2 The figures included in this report will be subject to examination by the Audit Commission as part of the final accounts audit.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that subject to any comments, the report be noted.

3. BACKGROUND

The approved Capital Programme for 2009/10 totalled £15.3 million. The Programme includes a number of schemes that span more than one financial year and it is necessary during the year to profile the budget according to the actual progress made during the year.

4. KEY ISSUES

- 4.1 The detail included at Appendix 1 shows actual expenditure of £13.5 million, of which £1.7 million is work in progress. The appendix also shows the variances between the budget and actual spend. Appendix 1 also contains comments regarding the status of each scheme. The current expenditure on some schemes is treated as being complete, although the balance remaining will be transferred to 2010/11. This treatment is applied to schemes such as work to public buildings because the expenditure relates to discrete areas of work.

Financing of the Capital Programme

- 4.2 The 2009/10 Capital Programme has been funded as detailed in the following table:

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Funding Source	£
Major Repairs Reserve (HRA)	3,722,644
Prudential Borrowing	
- HRA	5,873,665
- General Fund	1,193,195
Capital Receipts	233,867
Grants	618,844
Section 106 Monies	135,523
Revenue Contributions	17,678
Total	11,795,416

Capital Grants

- 4.3 Grants and contributions from third parties are an important source of capital finance. In 2009/10 a total of £618,844 in terms of grants were utilised to fund the capital programme. The table below details the sources of grant and their use:

Grants	£	Details
Disabled Facilities Grants (DFGs)	240,000	Government support for DFGs
Regional Housing Pot	232,760	Government support for Decent Homes including Repairs Grants and Houses in Multiple Occupation Grants and Licensing
Rugby Football Union	24,822	Pitch works
Fair Play Playbuilder	96,347	Contribution from County Council

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Free Swimming	7,679	Hewell Road
DWP	17,235	IT equipment and software
Total	618,844	

Capital Receipts

- 4.4 Since the pooling of housing capital receipts was introduced on the 1st April 2004 and the downturn in the housing market the level of capital receipts has diminished. In 2009/10 the Council sold 6 dwellings under the Right to Buy (RTB) scheme this compares to 246 in 2003/04. Capital receipts of £10,000 or less are treated as revenue income.

Use of Capital Receipts	£'000
Balance as at 1 April 2009	1,337
Amounts received in year	627
less payment of RTB receipts to central government	389
Funding of 2009/10 capital expenditure	550
Total	1,025

5. FINANCIAL IMPLICATIONS

The financial implications are detailed within the report.

6. LEGAL IMPLICATIONS

- 6.1 Under Section 151 of the Local Government Act 1972 the Local Authority must make arrangements for the proper administration of its financial affairs.
- 6.2 The main definition of capital expenditure is set out in the Local Government Act 1989.

7. POLICY IMPLICATIONS

There are no specific policy implications.

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8. COUNCIL OBJECTIVES

The scheme included in the Capital Programme enables the Council to meet its objectives.

9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

It is important for the outturn position to be reported publicly for budgetary control purposes.

10. CUSTOMER IMPLICATIONS

There are no direct customer implications.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

There are no equalities and diversity implications.

12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

Investment via the Capital Programme enables the Council to maintain and/or enhance the quality of its physical resources. Officers are required to follow the Council's procurement procedures in letting contracts associated with individual schemes within the programme. This should ensure value for money in terms of procurement.

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

There are no climate change, carbon implications or biodiversity implications.

14. HUMAN RESOURCES IMPLICATIONS

There are no human resources implications.

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

The Capital Programme is managed by service managers and through the Capital Programme Officers Group.

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**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF
CRIME AND DISORDER ACT 1998**

There are no community safety implications.

17. HEALTH INEQUALITIES IMPLICATIONS

There are no health inequalities implications.

18. LESSONS LEARNT

None

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

None.

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
Chief Executive	Yes
Executive Director (S151 Officer)	Yes
Executive Director – Leisure, Cultural, Environmental and Community Services	Yes
Executive Director – Planning & Regeneration, Regulatory and Housing Services	Yes
Director of Policy, Performance and Partnerships	Yes
Head of Service	Yes
Head of Resources	
Head of Legal, Equalities & Democratic Services	Yes
Corporate Procurement Team	No

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21. WARDS AFFECTED

None.

22. APPENDICES

Appendix 1 – Capital Programme 2009/10

23. BACKGROUND PAPERS

Records held on CEDAR accounting system;
Spreadsheets maintained within Financial Services;
Various Council minutes approving the schemes within the Capital Programme.

AUTHOR OF REPORT

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