

**EXECUTIVE  
COMMITTEE**

12th July 2011

**CAPITAL PROGRAMME OUTTURN 2010/11**

Relevant Portfolio Holder	Councillor Michael Braley, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Portfolio holder briefed, including at Portfolio Holder briefing
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	No Wards
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 To report on the actual expenditure and funding of the capital programme for 2010/11.
- 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**

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

**3. KEY ISSUES**

- 3.1 The detail included at Appendix 1 shows actual expenditure of £13.2 million, of which £3.0 million is work in progress.
- 3.2 The appendix also shows the variances between the budget and actual spend.
- 3.3 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 2011/12. This treatment is applied to schemes such as work to public buildings because the expenditure relates to discrete areas of work.

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## Financing of the Capital Programme

- 3.4 The 2010/11 Capital Programme has been funded as detailed in the following table:

<b>Funding Source</b>	<b>£</b>
Major Repairs Reserve (HRA)	4,300,090
Prudential Borrowing	
- HRA	2,915,731
- General Fund	1,614,635
Capital Receipts	307,267
Grants	855,545
Section 106 Monies	245,590
<b>Total</b>	<b>10,238,858</b>

## Capital Grants

- 3.5 Grants and contributions from third parties are an important source of capital finance. In 2010/11 a total of £855,545 in terms of grants were utilised to fund the capital programme. The table below details the sources of grant and their use:

<b>Grants</b>	<b>£</b>	<b>Details</b>
Disabled Facilities Grants (DFGs)	295,100	Government support for DFGs
British Cycling	230,000	BMX Track
Other local authorities	209,799	CCTV/Lifeline
Implementing Electronic Government (IEG)	76,670	IT equipment and software
Liveability	16,444	Environmental works
Free Swimming – Swimming Pool Facility Enhancement	13,630	Hewell Road
Natural England	7,482	Bordesley Abbey Ruins
DWP	6,420	IT equipment and software
<b>Total</b>	<b>855,545</b>	

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**Capital Receipts**

- 3.6 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 2010/11 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.

<b>Use of Capital Receipts</b>	<b>£'000</b>
Balance as at 1 April 2010	1,025
Amounts received in year	976
less payment of RTB receipts to central government	449
Funding of 2010/11 capital expenditure	307
<b>Total</b>	<b>1,245</b>

**Financial Implications**

- 3.7 The financial implications are detailed within the report.

**Legal Implications**

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

**Service/Operational Implications**

- 3.10 The approved Capital Programme for 2010/11 totalled £16.2 million.
- 3.11 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.
- 3.12 The schemes included in the capital programme enable the Council to meet its objectives.
- 3.13 The Capital Programme is managed by Service Managers and through the Capital Programme Officers Group.

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- 3.14 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 procurement procedures in letting contracts associated with individual schemes within the programme. This should ensure value money in terms of procurement.

### **Customer / Equalities and Diversity Implications**

- 3.15 There are no customer/equalities and diversity implications.

### **4. RISK MANAGEMENT**

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

### **5. APPENDICES**

Appendix 1 - Capital Programme 2010/11

### **6. BACKGROUND PAPERS**

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

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