

**EXECUTIVE
COMMITTEE**

24th July 2012

CAPITAL PROGRAMME OUTTURN 2011/12

Relevant Portfolio Holder	Councillor Phil Mould, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To report on the actual expenditure and funding of the capital programme for 2011/12.
- 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. KEY ISSUES

- 3.1 The detail included at Appendix 1 shows actual expenditure of £16.4 million, of which £0.5 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 2012/13. 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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- 3.2 The 2011/12 Capital Programme has been funded as detailed in the following table:

Funding Source	£
Major Repairs Reserve (HRA)	2,267,815
Prudential Borrowing	
- HRA	3,856,618
- General Fund	8,664,522
Capital Receipts	400,000
Grants	578,510
Section 106 Monies	53,821
Revenue contributions	32,256
Total	15,853,542

Capital Grants

- 3.3 Grants and contributions from third parties are an important source of capital finance. In 2011/12 a total of £578,510 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)	320,737	Government support for DFGs
DEFRA	80,745	Contaminated land
Aiming High	98,000	Abbey Stadium - equipment
Decent Homes	66,252	HMO grants, Housing strategy
DWP	12,776	IT equipment and software
Total	578,510	

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Capital Receipts

- 3.4 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 2011/12 the Council sold 8 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 2011	1,253
Amounts received in year	1,237
less payment of RTB receipts to central government	404
Funding of 2011/12 capital expenditure	400
Total	1,686

Financial Implications

- 3.5 The financial implications are detailed within the report.

Legal Implications

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

Service/Operational Implications

- 3.8 The approved Capital Programme for 2011/12 totalled £19 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.
- 3.9 The schemes included in the capital programme enable the Council to meet its objectives.
- 3.10 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.

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Customer / Equalities and Diversity Implications

3.11 There were no customer/equalities and diversity implications identified.

4. RISK MANAGEMENT

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

5. APPENDICES

Appendix 1 - Capital Programme 2011/12.

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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