

<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>25 May 2010</b>
<b>Report By:</b>	<b>Chief Financial Officer</b>	<b>Report No:</b>	<b>FIN/30/10/AP/GJ</b>
<b>Contact Officer:</b>	<b>Alan Puckrin</b>	<b>Contact No:</b>	<b>01475 712223</b>
<b>Subject:</b>	<b>2009/14 Capital Programme</b>		

---

## **1.0 PURPOSE**

- 1.1 The purpose of the report is to provide Committee with the latest position of the 2009/14 Capital Programme.

## **2.0 SUMMARY**

- 2.1 In February 2010 the Council agreed a four year Capital Programme covering the period 2010/14. This report reflects those decisions plus the latest position in respect of financial year 2009/10.
- 2.2 Based on the latest figures it can be seen from Appendix 1 that there is a shortfall of resources of £1.04 million over the four year period. This represents less than 1.4% of the total programme excluding the Schools Estate Programme. A shortfall in resources of this order is no cause for concern for Committee.
- 2.3 The position in respect of each individual Committee is reported within Appendix 2 of the report and it can be seen that overall all Committees are projecting to stay within budget limits over the four year period.
- 2.4 It can also be seen from Appendix 2 that expenditure to 31 March 2010 is £14.81 million which represents 98% of projected spend for the year. The difference can be explained as minor adjustments which will be processed as part of the year end accounts.

## **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee notes the current position of the 2009/14 Capital Programme.

Alan Puckrin  
Chief Financial Officer

## **4.0 BACKGROUND**

- 4.1 On 9 February 2010 the Policy & Resources Committee approved the 4 Year Capital Programme covering the years 2010/14.
- 4.2 This programme reflected an anticipated reduction of 33% in the amount of Government Capital Grant by 2013/14 in recognition of the anticipated squeeze on public finances over the next spending review.
- 4.3 At the same meeting the Policy & Resources Committee noted the updated position in respect of the School Estate Management Plan Funding Model and noted that the overall programme was still affordable and deliverable within previously approved timescales.

## **5.0 CURRENT POSITION**

- 5.1 Appendix 1 shows that over the four year period there is a projected shortfall in resources of £1.04 million which represents approximately 1.4% of projected spend excluding the School Estates Strategy spend.
- 5.2 The position in respect of individual Committees is as follows:

### Social Care

No slippage is anticipated in 2009/10 and spend is 99% of projected spend for the year.

### Safe and Sustainable Communities

Slippage of £2.528 million (49%) with projected spend currently 100% of projected spend for the year.

### Regeneration

Rephasing and slippage of £4.868 million (57%) with spend being 95% of projected spend for the year.

### Education & Lifelong Learning

Slippage of £1.171 million (20%) with spend being 100% of projected spend for the year.

### Policy & Resources Committee

Slippage of £968,000 (29%) and spend being 100% of projected spend for the year.

- 5.3 Overall in 2009/10 it can be seen from Appendix 2 that there is projected expenditure of £15.017 million of which £14.811 million has been spent as at 31 March 2010. This represents 98% of projected spend for the year.

## **6.0 SCHOOL ESTATE MANAGEMENT PLAN**

- 6.1 The School Estate Capital Programme Summary has been shown separately in Appendix 2 and reflects the revised contribution from the core Capital Programme approved on 9 February 2010. Whilst there is a cash flow deficit over the years 2011/14 the overall programme is affordable within previously approved timescales.
- 6.2 An announcement is still awaited in respect of the Scottish Futures Trust contribution towards the new ASN School Provision in Port Glasgow.

## **7.0 CONCLUSION**

- 7.1 The Council's Capital Programme for 2009/14 is showing a shortfall in resources of £1.04 million. This is after a significant anticipated reduction in Capital Grants over the next number of years. Should there be any material change in these figures then Committee will be advised accordingly.

## **8.0 CONSULTATION**

- 8.1 The report reflects the position reported to Service Committees and has been approved by the Corporate Management Team.

Appendix 1

Capital Programme - 2009/10 - 2013/14

	<u>Available Resources</u>					
	A	B	C	D	E	F
	2009/10	2010/11	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000	£000	£000
Council Supported Borrowing	5,500	5,360	4,500	4,500	4,500	24,360
Less: Allocation to School Estate	(4,808)	(4,800)	(4,800)	(4,800)	(4,800)	(24,008)
Capital Receipts (Note 1)	103	899	2,748	1,564	-	5,314
Capital Grants (Note 2)	7,172	5,404	4,682	5,270	3,658	26,186
Prudential Funded Projects (Note 3)	2,814	14,219	11,572	4,062	5,000	37,667
Balance B/F From 08/09 (Exc School Estate)	3,417	-	-	-	-	3,417
Capital Funded from Current Revenue (Note 4)	1,328	753	88	-	-	2,169
	<u>15,526</u>	<u>21,835</u>	<u>18,790</u>	<u>10,596</u>	<u>8,358</u>	<u>75,105</u>

Overall Position 2009/14

Available Resources (Appendix 1, Column F)	£000
Projection (Appendix 2, Column B-F)	75,105
(Shortfall)/Under Utilisation of Resources	<u>76,143</u>
	<u>(1,038)</u>

Available Resources (Appendix 1, Column F)  
 Projection (Appendix 2, Column B-F)  
 (Shortfall)/Under Utilisation of Resources

All notes exclude School Estates

Note 1 (Capital Receipts)

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000	£000	£000
Sales	13	809	148	1,564	-	2,534
Contributions/Recoveries	90	90	2,600	-	-	2,780
	103	899	2,748	1,564	-	5,314

Note 2 (Capital Grants)

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000	£000	£000
General Capital Grant	5,787	3,798	4,000	3,500	3,000	20,085
Cycling, Walking & Safer Streets	124	146	-	-	-	270
PSHG	-	695	682	670	658	2,705
Sports Scotland/SFA	-	-	-	1,100	-	1,100
SPT	83	175	-	-	-	258
Wellpark Centre	1,178	590	-	-	-	1,768
	7,172	5,404	4,682	5,270	3,658	26,186

Note 3 (Prudentially Funded Projects)

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000	£000	£000
ICT Capital Programme	68	22	8	10	-	108
Consilium One Off Costs	329	-	-	-	-	329
Vehicle Replacement Programme	132	4,502	303	187	-	5,124
Asset Management Plan	-	1,500	3,000	2,550	5,000	12,050
Knocknairshill Cemetery Ph5c	-	85	-	-	-	85
Crescent Street Rewiring & Heating	-	49	-	-	-	49
Devon Glen Stabilisation Works	-	100	-	-	-	100
Public Conveniences	67	2	-	-	-	69
Leisure & Pitches Strategy	1,205	7,319	7,231	1,245	-	17,000
New Rainbow Nursery	42	-	-	-	-	42
Inverkip PS Nursery	10	-	-	-	-	10
Inverclyde Centre Ph.3	180	25	-	-	-	205
Redholm Childrens Home	-	-	1,030	70	-	1,100
Future Operating Model	781	615	-	-	-	1,396
	2,814	14,219	11,572	4,062	5,000	37,667

Note 4 (Capital Funded from Current Revenue)

	2009/10	2010/11	2011/12	2012/13	2013/14	Total
	£000	£000	£000	£000	£000	£000
Roads Projects (former Transport Scotland)	59	-	-	-	-	59
Greenock Arts Guild	-	500	-	-	-	500
Play Areas	81	93	-	-	-	174
Wellpark Centre	315	160	88	-	-	563
Newark House Alterations	23	-	-	-	-	23
Vehicle Replacement	850	-	-	-	-	850

1,328	753	88	-	-	2,169
-------	-----	----	---	---	-------

Capital Programme - 2009/10 - 2013/14Agreed Projects

Committee	A Prior Years	B		C		D		E		F		G		H		I		J		K			
		2009/10	£000	2010/11	£000	2011/12	£000	2012/13	£000	2013/14	£000	2013/14	£000	Future	£000	Total	£000	Approved Budget	£000	(Under)/ Over	£000	2009/10 Spend To 31/03/10	£000
Improvement & Performance	1,054	2,343	1,856	1,040	1,075	960	-	8,328	8,328	-	2,343	-	8,328	8,328	-	2,343	-	8,328	-	-	-	2,343	2,343
Safe, Sustainable Communities	1,169	2,457	8,884	2,561	2,361	2,110	-	19,542	19,597	-	(55)	-	19,542	19,597	-	2,457	-	19,542	(55)	-	-	2,457	2,457
Regeneration & Resources	1,951	3,714	12,838	14,238	9,153	6,542	-	48,436	48,436	-	-	-	48,436	48,436	-	3,539	-	48,436	-	-	-	3,539	3,539
Education & Lifelong Learning (Exc School Estate)	1,418	52	-	-	-	-	-	1,470	1,470	-	-	-	1,470	1,470	-	42	-	1,470	-	-	-	42	42
Health & Social Care	436	1,696	1,075	1,118	70	-	-	4,395	4,395	-	-	-	4,395	4,395	-	1,675	-	4,395	-	-	-	1,675	1,675
Sub - Total	6,028	10,262	24,653	18,957	12,659	9,612	-	82,171	82,226	-	(55)	-	82,171	82,226	-	10,056	-	82,171	(55)	-	-	10,056	10,056
School Estate (Note 1)	49,083	4,755	7,481	21,882	37,393	15,656	11,178	147,428	147,428	-	-	-	147,428	147,428	-	4,755	-	147,428	-	-	-	4,755	4,755
Total	55,111	15,017	32,134	40,839	50,052	25,268	11,178	229,599	229,654	-	(55)	-	229,599	229,654	-	14,811	-	229,599	(55)	-	-	14,811	14,811

Note 1Summarised SEMP Capital Position - 2009/14

	2009/10	2010/11	2011/12	2012/13	2013/14
Capital Allocation	4,808	4,800	4,800	4,800	4,800
Capital Receipts	-	-	-	7,317	-
Scottish Government School Grant (estimate)	-	-	-	3,200	3,200
Surplus b/fwd	6,169	7,150	5,950	(1,103)	(4,895)
Prudential Borrowing	868	1,481	10,029	18,284	6,328
CFCR	60	-	-	-	-
Available Funding	11,905	13,431	20,779	32,498	9,433
<u>Projects</u>					
Ex-Prudential Borrowing	3,827	6,000	11,853	19,109	9,328
Prudential Borrowing	868	1,481	10,029	18,284	6,328
CFCR	60	-	-	-	-
Total	4,755	7,481	21,882	37,393	15,656
Surplus c/fwd	7,150	5,950	(1,103)	(4,895)	(6,223)