



Leicester
City Council

Cabinet

13 March 2006

Scrutiny Committees

Various

2005/06 CAPITAL PROGRAMME MONITORING - PERIOD 9

Report of the Chief Finance Officer

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Members on the progress of the capital programme for 2005/06 up to the end of December (period 9).

2. CAPITAL PROGRAMME PERFORMANCE

- 2.1 This report compares the current forecast level of expenditure with that relating to period 7, as reported to Cabinet on 9 January. There will be a further report detailing the outturn position.
- 2.2 Each Scrutiny Committee will receive a report in the current cycle consisting of this covering report and separate appendices showing the capital programme in relation to their portfolio of responsibility. Cabinet and the Resources and Equal Opportunities Scrutiny Committee are receiving reports in respect of the full corporate position.
- 2.3 The currently approved capital programme for 2005/06 totals £120.5 million, which was agreed by Cabinet on 9 January.
- 2.4 The current forecast level of expenditure for 2005/06 is £113.9 million as shown below:

	£000
Approved Programme	120,543
Additions	3,437
Expenditure Brought Forward	665
Slippage	(8,747)
Savings/Underspends	<u>(2,026)</u>
	<u>113,872</u>

This forecast expenditure relates to the following areas:

	£000
Education	23,777
Regeneration & Culture	32,629
Housing	48,487
Social Care	1,986
Resources, Access and Diversity	6,993

3. ACTION PLANS

When Cabinet considered the period 7 monitoring position in January it was resolved that an action plan be prepared by each Corporate Director for their relevant Cabinet Lead, detailing how slippage was to be managed. These have now been prepared and include ensuring projections of future years capital expenditure are realistic and reviewing monitoring and reporting processes.

4. SUMMARY

4.1 The actual level of expenditure at the end of December 2005 totalled £66.7 million. The expenditure to date represents 58% of the projected spend for the year, compared to 56% for the same period in 2004/05.

4.2 The capital receipts (non-housing) target is £6.8 million for 2005/06. Receipts of £4 million have been raised to date in 2005/06. The position will be continue to be monitored.

5. RECOMMENDATIONS

5.1 Cabinet is recommended to:

- i) approve a revised level of programmed expenditure of £113.9 million;
- ii) note the level of expenditure to the end of December 2005 of £66.7 million;
- iii) note the following additions to the programme to be funded from service resources:

Education

Braunstone Youth House (£35,000)
Braunstone Changing Rooms (87,000)

Regeneration & Culture

Braunstone Leisure Centre (£38,000)

- iv) note the changes to the Housing programme;
- v) note the increase in the Resources, Access and Diversity programme of £293,000 relating to the Science Park, to be funded by Emda;
- vi) note the position relating to capital receipts;
- vii) note that forecast capital programme performance is 83% of the approved programme compared to a target of 90%;
- viii) note that Action Plans to manage slippage have been prepared by Corporate Directors and discussed with their relevant Cabinet Lead; and

- ix) note the prudential indicators for 2005/06.
- 5.2 Scrutiny Committees are asked to consider issues affecting their portfolios and make any observations to Cabinet as they see fit.
- 5.3 Resources and Equal Opportunities Scrutiny Committee is asked to:
 - (i) consider the overall position relating to the capital programme and make any observations to Cabinet as it sees fit, and
 - (ii) consider whether they would wish to further scrutinise the performance of any individual schemes where they have concerns over progress.

6. HEADLINE LEGAL AND FINANCIAL IMPLICATIONS

- 6.1 This report has been discussed with Peter Nicholls (Service Director – Legal Services); there are no legal implications.
- 6.2 This report is concerned solely with financial issues.

Mark Noble
Chief Finance Officer

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)