

THE HIGHLAND COUNCIL

**Resources Committee
26 November 2014**

Agenda Item	16
Report No	RES/70/14

**CORPORATE DEVELOPMENT SERVICE
CAPITAL BUDGET EXPENDITURE MONITORING TO 30 SEPTEMBER 2014**

Report by the Depute Chief Executive/Director of Corporate Development

Summary

This report sets out the position for the Corporate Development Service 2014/15 capital budget for the period to 30 September 2014.

1 Introduction

- 1.1 The attached appendix shows the monitoring position for the Corporate Development Service capital programme for the period to 30 September 2014. This shows capital projects amounting to £1.614m for the financial year 2014/15, with £0.130m accounted for to date. The Service is currently estimating an underspend of £0.187m at the end of the financial year.

2. Project Progress and Expenditure

- 2.2 Expenditure has commenced on the Unified Communications Project which is showing £0.120m of the £0.638m budget having been spent. Due to technical issues, the project has been delayed and so final installation and payment is not expected to be completed prior to the end of March 2015. Consequently, as was reported to Committee in August, an underspend of £0.151m is still being predicted. The Project is currently deploying Microsoft Lync to Dingwall staff as a pilot, to run for approximately 2 months. On completion of a successful pilot review, the project will start deployment to the wider council early next year.
- 2.3 Although there has been no significant expenditure to date on the other two projects in the Corporate Development Capital Plan, good progress is being made with the curriculum refresh and 1200 new laptops have been purchased for schools. The expenditure is not showing in the Ledger because the Council has not yet been invoiced, however, payment will have been processed by the end of March 2015.

3. End of year Variances

- 3.1 The Corporate Development Service is predicting a total underspend of £0.187m at the end of 2014/15 which is a further slippage of £0.036m on the position reported at the last Committee. The increased underspend is because expenditure is not expected to commence on Service Point Improvements in 2014/15. Service Point investment will be dependent on the outcomes of the Customer Services Review, the outcome of which is still to be determined, so it is expected that spend will slip into the next financial year.

4. Implications

- 4.1 Resources - There are no resource implications other than those already set out.
- 4.2 Legal - there are no legal implications for The Highland Council.
- 4.3 Equalities and Climate Change - there are no negative equality or climate change implications arising from this report.
- 4.4 Risk, Gaelic and Rural - there are no risk, Gaelic or rural implications to The Highland Council.

4. Recommendation

Members are asked to consider the capital monitoring report for the period to 30 September 2014.

Signature: Michelle Morris

Designation: Depute Chief Executive

Date: 13 November 2014

Author: Kate Lackie, Business Manager

THE HIGHLAND COUNCIL
MONITORING OF CAPITAL EXPENDITURE
PERIOD TO 30th SEPTEMBER 2014
CORPORATE DEVELOPMENT SERVICE

Project	Project Code	Budget			Year to Date Actual			Estimated outturn			Variance	Comments
		A	B	C	D	E	F	G	H	I	J	
		Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Column I minus Column C	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Service Point Improvements Future Years	22152	36	0	36	0	0	0	0	0	0	(36)	Spend dependent on the outcome of the Customer Services Review. Decision not expected until December so more than likley that spend will slip into next financial year.
ICT Contract Asset Investment	CE015	940	0	940	9	0	9	940	0	940	0	
Unified Communications & Chamber Refurbishm	CE025	638	0	638	120	0	120	487	0	487	(151)	Underspend on Video Conferencing. Procurement exercise happening now and spend not expected until 2015
		1,614	0	1,614	130	0	130	1,427	0	1,427	(187)	