

The Highland Council
Resources Committee – 26 August 2015

Agenda Item	17
Report No	RES/72/15

Corporate Capital Monitoring to 30 June 2015

Report by Director of Finance

Summary

This report provides an overview of expenditure on the General Fund and Housing Revenue Account (HRA) capital programmes for the period from 1 April to 30 June 2015 and the estimated position for the 2015/16 financial year.

1. Background

- 1.1 The purpose of this report is to present an overview of the position of the 2015/16 capital programmes as at 30 June 2015. The figures presented net expenditure to date, the net annual budget and the estimated outturn for the financial year.
- 1.2 This report is produced in support of the Council's corporate governance process, which in turn is designed to support the Council's corporate delivery of its obligations in terms of the Single Outcome Agreement.

2. General Fund Capital Programme

- 2.1 The attached report (**Appendix 1**) shows the General Fund net capital budget for 2015/16 of £133.484m, net expenditure to date of £19.296m, and an estimated slippage of £6.346m on the programme for the financial year.
- 2.2 Consultation on the Capital Plan is currently underway, however the budget figures presented are as per the 10 year funding envelope agreed by the Council on 12 March 2015 with the addition of slippage carried forward from 2014/15 as follows:

Service	Funding envelope allocation £000	Add underspends carried forward £000	Total budget 2015/16 £000
Care and Learning	66,027	1,008	67,035
Chief Executive	-	73	73
Community Services	11,815	3,416	15,231
Corporate Development	5,600	929	6,529
Development and Infrastructure	34,305	6,761	41,066
Carbon CLEVER	1,000	50	1,050
Capital Discretionary Fund	500	2,000	2,500
	119,247	14,237	133,484

3. General Fund Variances

- 3.1 At this early stage in the financial year most services are reporting a balanced outturn position. Any projects where there is concern around the total funding envelope or significant project slippage will be reported to the relevant service committee.
- 3.2 The Corporate Development Service anticipates slippage of £4.927m, in the main on the ICT Re-provision project. Procurement is underway but the expenditure is not expected to occur until financial year 2016/17.
- 3.3 A budget of £1m per annum is allocated for carbon reduction projects. An underspend of £0.050m from 2014/15 gives a total available of £1.050m for the current year. Approval has been granted for the Carbon CLEVER community grant fund (£0.200m), LED street lighting projects (£0.025m) and school heating improvements (£0.263m) leaving a balance of £0.562m available for allocation.
- 3.4 The Discretionary Fund budget of £2.500m has projects of £1.081m committed against it as follows:

	£000
Alexandra Bridge, Tain	50
Kirkmichael Heritage Centre Project	70
Foyers car parking	65
War Memorials	310
Inverness, Badenoch & Strathspey CAB	281
Eden Court Theatre Orchestra Pit	40
Highland Hospice	200
Poolwe and District Swimming Pool	50
Merkinch Community Centre	15
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	1,081
Uncommitted Balance	1,419
Total budget	<hr/> <hr/>
	2,500

4. Housing Revenue Account (HRA) Capital Programme

- 4.1 The gross budget for the HRA Capital Programme for the year is £65.026m.
- 4.2 The service is aiming for full spend on the HRA capital programme it is recognised that this is challenging and there is a risk that the budget will be underspent at the year end.

5. Implications

- 5.1 Resource implications are noted in this report.
- 5.2 There are no risk, legal, equality, climate change/Carbon Clever, rural or Gaelic implications arising as a direct result of this report.

Recommendation

Members are invited to consider the financial position of the General Fund and HRA Capital Programmes as at 30 June 2015.

Designation: Director of Finance

Date: 17 August 2015

Author: Fiona Wood, Finance Manager (Accounts and Central Services)

Background Papers: Service monitoring statements

Capital Expenditure Monitoring Report - Service Summary
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1 April - 30 June 2015

	Actual Net Year to Date £000	Annual Net Budget £000	Year End Estimated Net Outturn £000	Year End Net Variance £000
General Fund				
Care and Learning	14,126	67,035	67,035	0
Chief Executive's Office	0	73	73	0
Community Services	920	15,231	15,231	0
Corporate Development	0	6,529	1,602	(4,927)
Development and Infrastructure	3,919	41,066	41,066	0
Carbon CLEVER	0	1,050	1,050	0
Discretionary Fund	331	2,500	1,081	(1,419)
Total General Fund	19,296	133,484	127,138	(6,346)

Funding

General Capital Grant		37,694	
Capital Receipts		750	
Borrowing		95,040	
Total General Fund		133,484	

	Actual Net Year to Date £000	Annual Net Budget £000	Year End Estimated Net Outturn £000	Year End Net Variance £000
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Housing Revenue Account

Gross Expenditure Budget	5,088	65,026	65,026	0
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Funding

Sale of Council House Receipts	(384)	(1,279)	(1,279)	0
CFCR	0	(4,000)	(4,000)	0
Landbank Contribution	0	(1,260)	(1,260)	0
sale of LIFT properties	(89)	(690)	(690)	0
Borrowing	(3,139)	(47,757)	(47,757)	0
Government Grant	(1,476)	(10,040)	(10,040)	0
Total Housing Revenue Account	(5,088)	(65,026)	(65,026)	0