

## 2007/08 CAPITAL PROGRAMME BUDGET MONITORING

### Summary

1. The capital programme forecast for 2007/08 as at 30<sup>th</sup> September totals £61,602,000, which is a decrease of £832,000 from the original capital programme forecast. The decrease represents a reduction in the North Hereford children's centre and Ledbury library capital schemes forecast spend for the year. A summary of the overall position is provided in table D1 with details of schemes with a revised forecast spend for the year exceeding £500,000 provided in table D3.
2. Spend to date represents 22% of the revised forecast partly explained by flood scheme works delaying other programmed capital works. A summary of the expenditure for each service area is set out in table D2.
3. A summary of the Prudential Borrowing position for 2007/08 is set out below.

2007/08	Original	Prudential	Borrowing	£16,995,000
Allocation				
Add: Subsequent Allocation				£90,000
Add: Slippage from 2006/07				£16,288,000
Less: Slippage into future years			(£15,667,000)	
No longer required			(£1,078,000)	
Funded by available SCE(R)			(£125,000)	(£16,870,000)
Forecast use of Prudential Borrowing in 2007/08				<u>£16,503,000</u>

### Capital Receipts Reserves Position as at 30<sup>th</sup> September 2007

4. The capital receipts reserve currently totals £22,426,000, which will be used to fund £9,791,000 of expected capital expenditure in 2007/08. The remaining balance will be used to fund future years' capital programme including affordable housing, Rotherwas Futures and the cattle market project.

### CHILDREN AND YOUNG PEOPLE'S DIRECTORATE

5. The North Hereford Children's Centre funding has partly been carried forward into 2008/09 (£500,000); the grant funding has also been carried forward.

### CORPORATE AND CUSTOMER SERVICES DIRECTORATE

6. Prudential borrowing previously identified as required to fund network enhancement costs has been removed because capital work was completed in September. The prudential borrowing allocation (£691,000) has been returned to the corporate pot.
7. Herefordshire Connects forecast represents the allocations in the revised financial model but this is subject to further revision as the project progresses.

### ENVIRONMENT DIRECTORATE

8. Included in this year's projection is an expenditure forecast of £7,372,000 towards the cost of the Rotherwas Access Road. This is being funded through AWM grant (£5,000,000), LTP funding allocation (£500,000), with the balance being funded through a combination of prudential borrowing (£876,000) and capital receipts from land sales prior to investment (£996,000).

9. Other increases from the original forecast to date represent the Hereford flood defence works funded through a S106 contribution and an increase in LTP funding allocation of £338,000.

#### **ADULT AND COMMUNITY SERVICES DIRECTORATE**

10. Ledbury library failed to attract lottery funding for the original project to develop the Ledbury Youth centre as a combined library/info/youth centre. The associated prudential borrowing funding allocation of £375,000 has therefore been removed. A bid for locating the library into the Master's House is expected. Under current financial rules the £375,000 cannot be transferred to another project hence its removal.

TABLE D1

## FUNDING OF REVISED 2007/08 CAPITAL PROGRAMME

Capital Programme Area	2007/08 Revised Forecast 30/09/07	SCE(R)	Prudential Borrowing	Grant	Revenue Contribution	Capital Receipts Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children & Young People's Services	11,485	2,163	2,275	4,052	-	2,995
Resources	1,856	-	265	1,541	-	50
Corporate and Customer Services	8,997	-	8,997	-	-	-
Environment Services	28,931	7,582	3,461	15,914	54	1,921
Adult and Community Services	10,333	218	1,505	3,784	-	4,826
<b>Total Revised Forecast</b>	<b>61,602</b>	<b>9,963</b>	<b>16,503</b>	<b>25,291</b>	<b>54</b>	<b>9,791</b>
<i>July Forecast</i>	<i>62,433</i>	<i>9,963</i>	<i>15,926</i>	<i>25,781</i>	<i>54</i>	<i>10,709</i>
<i>Change from July</i>	<i>(831)</i>	<i>-</i>	<i>577</i>	<i>(490)</i>	<i>-</i>	<i>(918)</i>

<b><u>Reported to date</u></b>						
<i>Original Budget</i>	<i>65,462</i>	<i>9,963</i>	<i>28,256</i>	<i>18,358</i>	<i>170</i>	<i>8,715</i>
<i>July 2007 Forecast</i>	<i>62,433</i>	<i>9,963</i>	<i>15,926</i>	<i>25,781</i>	<i>54</i>	<i>10,709</i>
<b><i>Sept 2007 Forecast</i></b>	<b><i>61,602</i></b>	<b><i>9,963</i></b>	<b><i>16,503</i></b>	<b><i>25,291</i></b>	<b><i>54</i></b>	<b><i>9,791</i></b>

TABLE D2

## CAPITAL EXPENDITURE BY PROGRAMME AREA

	Outturn	Original Budget	Revised 2007/08 Forecast as at 30/09/07	Actual spend at 30/09/07	Actual spend as a % of the revised forecast	Committed Spend as a % of the revised forecast
Programme area	2006/07	2007/08	2007/08	2007/08	2007/08	2007/08
	£'000	£'000	£'000	£'000	%	%
Children & Young People's Services	9,008	11,420	11,485	3,129	22%	27%
Resources	2,369	2,334	1,856	285	15%	12%
Corporate & Customer Services	2,584	20,406	8,997	468	5%	5%
Environment Services	13,197	19,206	28,931	7,008	24%	98%
Adult & Community Services	12,567	12,096	10,333	2,499	24%	35%
<b>Total</b>	<b>39,725</b>	<b>65,462</b>	<b>61,602</b>	<b>13,389</b>	<b>22%</b>	<b>30%</b>

**TABLE D3**

**Schemes with a forecast spend exceeding £500k in 2007-08**

<b>Scheme Detail By Directorate</b>	<b>Original 2007/08 Forecast</b>	<b>Revised 2007/08 Forecast as at 31/07/07</b>	<b>Revised 2007/08 Forecast as at 30/09/07</b>	<b>Comments</b>
<b><i>Children &amp; Young People's Services</i></b>				
Sutton Primary Replacement School	2,144	2,144	2,144	Scheme running six weeks behind schedule however no funding issues reported to date
Riverside Amalgamation	4,540	4,540	4,540	Scheme in progress
<b><i>Resources</i></b>				
Property Purchase	-	1,389	1,389	Grant funded purchase under Edgar St Grid development
<b><i>Corporate &amp; Customer Services</i></b>				
Herefordshire Connects	6,674	6,674	8,419	Scheme still in development stages
<b><i>Environment Services</i></b>				
Rotherwas Access Road	500	7,372	7,372	Scheme in progress
Crematorium	2,000	2,158	2,158	Contract has not been placed
Road Maintenance	4,979	5,417	5,417	Schemes in progress
Hereford Flood Defences	-	2,306	2,306	Pending completion of legal agreement
Footways	1,065	1,065	1,065	Schemes in progress
Park & Ride Permanent Site Dev.	700	500	500	Discussions on going re location
Ross on Wye Flood Alleviation	5,000	5,000	5,000	Scheme in progress
Assessment Strength of Bridges	700	700	700	Programme of works underway
<b><i>Adult &amp; Community Services</i></b>				
Cattle Market	1,650	1,150	1,150	In design phase
Affordable Housing Grants	3,500	2,000	2,000	Programme of works awaiting approval
Friar St Museum and Resource Centre	1,323	1,364	1,364	Expected to complete shortly
Rotherwas Futures Est. Dev. Work	-	900	900	Scheme to be funding by anticipated receipts
Disabled Facilities Grant	525	712	712	82% of the budget committed
Aylestone Hill Park	96	507	507	Scheme complete
<b>Total</b>	<b>35,396</b>	<b>45,898</b>	<b>48,543</b>	
<b>Schemes less than £500,000</b>	<b>30,066</b>	<b>16,535</b>	<b>13,059</b>	
<b>Total</b>	<b>65,462</b>	<b>62,433</b>	<b>61,602</b>	