



**2009/10 SEPTEMBER CAPITAL PROGRAMME BUDGET
MONITORING**

OVERALL SUMMARY POSITION

1. The capital programme forecast outturn for 2009/10 as at 30th September totals £80,686k, which is a decrease of £3,757k from the July 2009/10 capital programme forecast. The main reason for this decrease follows the re-profiling of expenditure forecasts on libraries in Ross and Ledbury to reflect that not all capital funding awarded will be spent in 2009/10. The Ross library forecast spend for 2009/10 has slipped by £1,000k due to a three month delay in the anticipated build start. Ledbury library expenditure forecast has slipped by £2,400k, the scheme design is currently under review.
2. A summary of the overall capital programme expenditure forecast and funding thereof for 2009/10 is provided in the table D1 below.

TABLE D1

FUNDING OF REVISED 2009/10 CAPITAL PROGRAMME

Capital Programme Area	2009/10 Revised Forecast 30/09/09	SCE(R)	Prudential Borrowing	Grant	Revenue Contribution	Capital Receipts Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	35,324	2,372	525	32,427	-	-
Resources	6,332	-	3,282	152	-	2,898
Deputy Chief Executive	6,092	-	5,923	100	-	69
Adult Social Care	725	-	65	429	-	231
Regeneration	14,030	-	2,885	3,996	20	7,129
Environment & Culture	18,183	11,195	3,893	3,068	-	27
Total Revised Forecast	80,686	13,567	16,573	40,172	20	10,354
<i>July Forecast</i>	<i>84,443</i>	<i>13,567</i>	<i>23,458</i>	<i>39,291</i>	<i>1</i>	<i>8,126</i>
<i>Change from July Forecast</i>	<i>(3,757)</i>	<i>-</i>	<i>(6,885)</i>	<i>881</i>	<i>19</i>	<i>2,228</i>
<i>Original Forecast</i>	<i>67,438</i>	<i>13,567</i>	<i>16,449</i>	<i>34,154</i>	<i>-</i>	<i>3,268</i>

Further information on the subject of this report is available from
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3. Appendix 1 provides a breakdown of total capital scheme costs, funding, spend to date and potential issues for capital schemes with a revised forecast spend for 2009/10 exceeding £500k. Capital programmes for directorates are reported quarterly to the relevant scrutiny committee.
4. Actual total spend to date appears low at £21,116k to the end of September. This is mainly due to the following items;
 - £9,066k expenditure forecast on the new Hereford Academy, for which the contract of main works is yet to commence.
 - Under profile spend to date against the £5,140k corporate accommodation capital expenditure forecast. However, property is to be purchased in the near future.
 - Delays on spend on the Herefordshire Connects £5,372k budget due to the Shared Service review.
 - Low spend to date on road and footway maintenance where the bulk of expenditure is always incurred in the second half of the financial year.

Prudential Borrowing Position as at 30th September 2009

5. A summary of the Prudential Borrowing position for 2009/10 is set out below.

	£'000	£'000
2009/10 Original Prudential Borrowing Allocations		£14,258
Add: Slippage from 2008/09 Allocated in year	£10,144	
	<u>£347</u>	
		£10,491
Less: Slippage into future years Returned to corporate funding pot	(£6,882)	
	<u>(£1,294)</u>	
		(£8,176)
Forecast use of Prudential Borrowing in 2009/10		<u>£16,573</u>

Capital Receipts Reserves Position as at 30th September 2009

6. The capital receipts reserve totalled £17,556k as at 1st April 2009. Very few capital receipts are expected during this financial year. £10,354k of this funding source is expected to be spent in 2009/10 with the remaining balance to be used to fund future year's capital programme including the provision of a new livestock market.

Appendix 1

Schemes with a forecast spend exceeding £500k in 2009-10

Scheme Detail By Directorate	Whole Scheme Cost £'000	Funded by	2009-10 Expenditure forecast £'000	Actual spend to 30-09-09 £'000	Most relevant Corporate Theme	Comments
Children's Services						
New Hereford Academy	24,130	DCSF Grant	9,066	258	Children and Young People	Main contract of works to commence shortly, completion due Autumn 2011
Minster Replacement School	20,642	DCSF Grant	7,201	5,388	Children and Young People	Work progressing, no issues, completion due summer 2010
Devolved Capital Programme	n/a	DCSF Grant	4,914	1,987	Children and Young People	Devolved allocation of capital funding to schools, including ICT
Primary Grant	8,378	DCSF Grant	3,000	43	Children and Young People	Capital funding for all through primary school in Leominster, consultation process underway
Children's Centres	n/a	Grant	1,543	369	Children and Young People	Various children's centre schemes progressing including Hollybush and Peterchurch
Targeted Capital Fund	8,000	DCSF Grant	2,000	-	Children and Young People	Capital funding allocated towards 14 to 19 year olds and Special Education Needs
Condition property works	n/a	SCE®	1,543	514	Children and Young People	Annual programme of works at various sites committed on a highest need first basis
Quality & Access for early years provision	n/a	Grant	1,324	456	Children and Young People	Grant funding devolved to nurseries via the Quality and Access project board evaluation
Riverside Amalgamation	8,505	Grant & receipts	1,236	1,476	Children and Young People	New contractor appointed to complete scheme for the autumn term
Wave 2 Playbuilder	1,120	DCSF Grant	526	39	Children and Young People	Funding towards 22 play area provision (11 per annum) for 8-13 year olds
Resources						
Corporate Accommodation	17,112	Prudential borrowing & capital receipts	5,140	363	Organisational improvement & greater efficiency	Key corporate accommodation property to be purchased shortly
Smallholdings	1,500	Capital receipts	500	12	Economic development & enterprise	Property improvement works to commence in November
Deputy Chief Executive						
Herefordshire Connects	6,780	Prudential borrowing, grant & receipts	5,372	1,032	Organisational improvement & greater efficiency	Slippage expected due to the Shared Service review currently underway

Environment & Culture						
Road & Footway Maintenance	n/a	LTP allocation	7,857	2,845	Sustainable communities	Programme of annual Amey works including works required at Symonds Yat
Bridgeworks	n/a	LTP allocation	1,500	319	Sustainable communities	Annual programme of works to avoid closures
City Centre Enhancements	2,751	Prudential borrowing	1,149	68	Sustainable communities	Improvements to be made along Widemarsh St in line with Edgar Street Grid development
Sustrans	1,401	Prudential borrowing	777	86	Economic development & enterprise	Walking and cycling route over River Wye in design stage, preferred route to be confirmed
Waste Performance & Efficiency	869	Grant	754	-	Economic development & enterprise	Bulk of expenditure to be on purchase of wheelie bins in October
Regeneration						
Rotherwas Futures Estate Development Work	5,266	Grant & capital receipts	2,731	584	Economic development & enterprise	Refurbishment of site and internal road works planned this year
Cattle Market	9,800	Capital receipts	2,910	74	Economic development & enterprise	Additional funding and approval to proceed received, start on site to follow
Affordable Housing Grants	n/a	Capital receipts	1,979	374	Safer & stronger communities	Annual allocation of grants to various schemes
Rural enterprise grant	5,000	Grant	1,667	152	Economic development & enterprise	Successful award of grant funding
Mandatory Disabled Facilities Grant	n/a	Grant & capital receipts	1,301	228	Health & well-being	This budget is under huge demand, a backlog of approximately £1m recorded
Mortgage Rescue	900	Prudential borrowing & receipts	900	316	Safer & stronger communities	Over £750k committed to individual schemes helping families remain in their properties
Private Sector Housing	n/a	Grant & receipts	787	195	Health & well-being	Annual programme of funding to various private sector landlords
Empty Property	600	Prudential borrowing & receipts	600	-	Health & well-being	Approximately £250k committed to bringing individual properties back into use
Total			68,277	17,178		
Schemes with a forecast spend in 2009/10 of less than £500,000			12,409	3,938		
Total			80,686	21,116		