

CAPITAL BUDGET MONITORING**Report By: DIRECTOR OF RESOURCES****Wards Affected**

County-wide

Purpose

1. To advise Scrutiny Committee on progress of the 2009/10 Environment Capital Programme within the overall context of the Council's Capital Programme.

Summary

2. This report is largely based on the latest round of capital monitoring, which involved the examination of all schemes at the end of July 2009. The Environment Capital Working Group is keeping the overall spending position under careful review.
3. The total spent and committed at 31st July 2009 is £7.585 million or 45.3% of the Revised Forecast. The actual amount spent to date is £3.042 million.

Financial Implications

4. The Capital budgets for Environment for 2009/10 are shown in summary on Appendix 1, on scheme basis with funding arrangements indicated in overall terms.
5. The total of the Capital Programme reduced to £16,755,000 from the figure of £17,574,000 previously reported to this committee. This is a net reduction of £819,000 and the main variances are:
 - i) £1.46 million has been received in relation to Growth Point funding from central government as part of its commitment to increasing housing supply. This capital grant was awarded following a bid for expenditure to implement the Park & Ride scheme (North) but is not ring fenced. The Park & Ride scheme (North) is not expected to incur this expenditure in the current financial year so the 2009/10 Capital Programme has reduced to reflect this. This funding will be included in future years Capital Programmes.
 - ii) An additional £30,000 in relation to Hereford Crematorium scheme and relates to additional slippage in the 2008/09 Programme.
 - iii) There is an addition of £384,000 in relation to the Connect 2 scheme. This is due to realigning the total scheme budget to reflect the expected expenditure in 2009/10.
 - iv) Additional grant funding in relation to 2009/10 of £113,000 from Department of Transport to assist the Council in building up its highways asset inventory and analysis capability. This work is necessary to support changes in accounting guidelines for highways assets which will be incorporated into the 2011/12 accounts.

- v) There are two additional schemes in relation to Relocation of the Hereford Open Retail Market of £58,500 and Butter Market refurbishment consultation of £50,000. These schemes were approved through the annual capital bidding process and are funded through prudential borrowing.
- vi) There is an addition of £44,000 in relation to capital grant funding from the Home Office to support the Safer and Stronger Communities initiative.
- vii) A reduction of £39,000 in relation to align section 106 monies to schemes expected to be delivered in 2009/10.

RECOMMENDATION

THAT subject to any comments the Committee may wish to make the report be noted.

BACKGROUND PAPERS

- None identified

APPENDIX

Appendix 1 – Summary Environment Capital Programme Budget 2009/10