

MEETING:	ENVIRONMENT SCRUTINY COMMITTEE
DATE:	22 MARCH 2010
TITLE OF REPORT:	CAPITAL BUDGET MONITORING
PORTFOLIO AREA:	ENVIRONMENT & STRATEGIC HOUSING HIGHWAYS & TRANSPORTATION

Wards Affected

County-wide

Purpose

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

Recommendation

THAT the report be noted.

Introduction and Background

- 1 This report is largely based on the latest round of capital monitoring, which involved the examination of all schemes at the end of January 2010. The Environment Capital Working Group is keeping the overall spending position under careful review.
- 2 The total spent and committed at 31 January 2010 is £16.2 million or 92.7% of the Revised Forecast. The actual amount spent to the end of January £11.3 million.

Key Considerations

- 3 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.
- 4 The total of the Capital Programme reduced to £15,764k from the figure of £16,717k previously reported to this committee. This reduction of £953k relates to the following variance:
 - a. An increase of £327k on the Rotherwas Access Road scheme relating to compensation payments. This is funded through prudential borrowing.

Further information on the subject of this report is available from
Cathy Stokes, Principal Accountant (Environment & Regeneration) on (01432) 261849

- b. A reduction of £654k on the Widemarsh Street Refurbishment scheme. This reflects the works expected to be completed in 2010/11. Works commenced at the end of February and are expected to be complete in November 2010.
- c. An addition of £10k in relation to monitoring works at Stretton Sugwas Closed Landfill site, funded through prudential borrowing.
- d. A reduction of £105k in relation to works on the detrunked A465 and A40 roads. These works are expected to be carried out in 2010/11. A grant of £220k was received from Department of Transport to contribute to the costs of addressing improvements identified prior to the council taking over responsibility for their maintenance.
- e. An addition of £137k in relation to 2009/10 costs of the Yazor Brook Flood Alleviation Scheme which is part of the Edgar Street Grid programme. These works are fully funded by Advantage West Midlands, however, the spend will be reported for information through the Environment Capital Programme.
- f. An addition of £77k in relation to the purchase of a Gritter for winter maintenance, this is funded through a revenue contribution from the Detrunking Grant to take account of the additional resources required to manage winter maintenance on the A40 and A465.
- g. A reduction of £148k in relation to schemes funded from s106 contributions, which will now be delivered in future years.
- h. Further changes have been made to the Local Transport Plan (LTP) Budgets. There is a net increase in budget on Highways Maintenance of £85k. This relates to an additional £605k to fund additional patching and resurfacing works following the severe weather in early January 2010 and the transfer of Highways staff costs for the year of £520k to a joint Highways & Transport Staff Contribution budget. This budget reflects the staff from both Amey Herefordshire and the Council and includes a saving of £165k in 2009/10 following the transfer to the Managing Agent Contract. An additional £110k has been added to this budget to reflect the management of capital projects by the Service Delivery Client Team.
- i. These funds were made available by current year reductions in budget for Road Safety & Integrated Transport Schemes to give priority to highways maintenance following the damage to the network as a result of the severe winter weather. The largest reallocation of resource is from the Hereford Strategy which is possible as a result of the review of the business case for Park and Ride, reported elsewhere in this agenda.
- j. Appendix 1 includes spend and commitments for the Ross Flood Alleviation Scheme. Costs in relation to the scheme are fully recoverable from the Environment Agency. Current spend and commitments are highlighted for completeness and will be addressed through final contract completion.

Financial Implications

- 5 These are contained in the body of the report. The forecast is based on the Capital Budget Monitoring to the end of January 2010.

Appendices

Appendix 1 – Summary Environment Capital Programme Budget 2009/10

Background Papers

- None identified.