

Capital Monitoring Summary

1. The capital forecast outturn for 2010/11 now totals £74.7m, a summary by directorate and funding source is provided in Table A below.

Table A – Funding of 2010/11 Capital

Directorate	2010/11 Forecast £'000	SCE(R) £'000	Prudential Borrowing £'000	Grant £'000	Revenue Contribution £'000	Capital Receipts Reserves £'000
Children's Services	31,679	915	480	29,891	65	328
Resources	4,828	-	3,926	33	-	869
Deputy Chief Executive	3,507	-	3,507	-	-	-
Adult Social Care	974	-	300	551	-	123
Sustainable Communities	33,562	12,315	4,230	9,108	143	7,766
Public Health	105	-	50	22	-	33
Total	74,655	13,230	12,493	39,605	208	9,119

2. Various changes to the capital forecast have been identified recognising the programming of spend and confirmation of funding announcements. Change scheme revisions exceeding £140k are listed below;-
- The Ledbury library scheme remains in the capital programme but until a project is developed the forecast for this years has been reduced by £2,239k. This would be funded by prudential borrowing.
 - The Ross library scheme has been scaled back following a scheme review reducing the forecast for this year by £592k. This reduction returns the allocation to corporate funding.
 - The Credenhill flood alleviation scheme forecast has been re-profiled in agreement with the funding body (AWM) reducing this years expected spend by £750k.
 - A review of revenue expenditure has identified £669k of costs that can be capitalised. These are ICT costs relating to the PC standardisation programme and community network costs.
 - The Leominster closed landfill site forecast has slipped by £232k due to late approval of the scheme by the Environment Agency. This means works will be carried out in the next financial year.

3. Details of capital schemes with a forecast spend in 2010/11 exceeding £500k are provided in Table B below.

Table B - Schemes with an expected outturn exceeding £500k in 2010/11

Scheme	2010/11 Forecast £'000	Spend to end period 6 £'000	Comments
Children's Services			
Hereford Academy	13,256	5,422	Work in progress scheme on schedule both time and budget
Earl Mortimer Replacement School	4,171	2,876	Work in progress scheme on schedule both time and budget
Co-location project	1,912	157	Six schemes are progressing at various locations with a yet to be confirmed proposal for Leominster
Devolved Capital Programme	1,900	2,030	Devolved allocation of capital funding to schools
Intervention Centres	1,823	823	14 schemes at high schools are progressing
Primary Grant	1,500	181	This will fund the amalgamation of Leominster's junior and infants school, a business case will be presented when costings available.
Co-location – Bromyard HOPE	1,416	252	The largest co-location scheme is in Bromyard, mainly funded by AWM grant
TCF Standards and Diversity	675	76	Rural funding towards plant and equipment costs
Childcare / QuAc	662	480	Various schemes to complete in 2010/11
Wave 2 Playbuilder	607	12	No longer ringfenced
Condition property works	600	358	Annual programme of works at various sites committed on a highest need basis, budget under pressure
Childrens Centres	563	252	Springfield children's centre completes soon, Conningsby is scheduled to complete this year
Resources			
Corporate accommodation	3,000	211	Programme manager recently appointed, this year's scheme to be confirmed shortly.
Smallholdings	723	170	Regulatory works at various sites
Hereford Leisure Pool	600	-	Essential refurbishment works to commence shortly
Deputy Chief Executive			
Integrated Support Services	2,780	724	Anticipated HR and finance system to go live April 2011
Sustainable Communities			
Road, Bridge & Footway Maintenance	11,769	5,671	Annual programme of works
Livestock Market	5,800	652	Access and preliminary works underway
Rural Enterprise Grant	1,667	766	Various grant funded schemes
Grange Court	1,500	36	Refurbishment works to commence soon

Affordable Housing Grants	1,338	263	Allocation of grants to external schemes of which a number are currently on hold
Mandatory Disabled Facilities Grant	1,230	443	Various schemes are referred and committed before expenditure is recorded this may delay actual spend
Extreme winter highway damage	1,017	252	Large amount of Amey works completed in August
Hereford City Centre Enhancements	891	547	Improvement works to complete in November
Credenhill flood alleviation scheme	750	318	Grant funded alleviation works in association with Hereford Futures
Rotherwas Futures Estate Development Work	718	(162)	The negative spend to date represents an opening creditor for infrastructure costs
Private Sector Housing	697	145	Schemes will be reduced to be replaced by available Kickstart loans
Sustrans Connect 2	558	108	Cycle scheme linking Hereford to Holme Lacy
Sub Total	64,123	23,063	
Schemes with a budget <£500k in 2010/11	10,532	3,468	This includes the Riverside capital scheme which is being temporarily funded from the primary grant funding allocation
Total	74,655	26,531	

4. This report has been presented to the Capital Strategy Working Group, whose remit is to focus and investigate any exceptional deviations from the approved capital scheme.

Prudential Borrowing

5. A summary of the Prudential Borrowing position is set out below.

	£'000	£'000
2010/11 Original Prudential Borrowing Forecast		18,601
Add: Slippage from 2009/10	4,789	
New funding allocations	1,136	
		5,925
Less: Slippage into future years	(11,289)	
No longer required	(744)	
		(12,033)
Expected use of Prudential Borrowing in 2010/11		12,493

The bulk of slippage into future years relates to the accommodation strategy (which has a forecast spend of £3m this year) and Ledbury library, which is under review.

Capital Receipts Reserve

6. The capital receipts reserve totalled £13.3m as at 31st March 2010; £9.1m of this is expected to fund the 2010/11 capital programme. Future year commitments include funding the provision of a livestock market and improvements to smallholdings.