

Capital Monitoring Summary

1. The capital forecast outturn for 2010/11 now totals £69.7m, 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 Contributi on £'000	Capital Receipts Reserves £'000
Children's Services	31,459	915	480	29,671	65	328
Resources	2,828	-	1,926	33	-	869
Deputy Chief Executive	3,214	-	3,064	150	-	-
Adult Social Care	304	-	-	283	-	21
Sustainable Communities	31,722	12,315	3,634	8,608	149	7,016
Public Health	200	-	50	117	-	33
Total	69,727	13,230	9,154	38,862	214	8,267

2. Various changes to the capital forecast have been identified recognising the programming of spend and confirmation of funding announcements. Forecast changes, exceeding £150k, that have been vired are detailed below:-
- The corporate accommodation forecast expenditure this year has slipped by £2m into 2011/12 representing 2010/11 scheme revisions following the appointment of a project manager and identification of schemes to be completed this financial year.
 - The forecast expenditure on strategic housing has reduced by £1m representing expected slippage in cash expenditure on committed schemes where the timing of completion monies is dependant on solicitors.
 - The forecast on Grange Court has slipped by £500k following cashflow revisions post scheme sign off.
 - The forecast capital expenditure on Herefordshire Connects has slipped by £444k, this represents a cashflow review and no changes in the milestones have been made.
 - Forecast expenditure on adult social care mental health and community equipment capital items has slipped by £670k into the next financial year.
 - The golf driving range capital scheme at Hereford leisure centre will not be completed this year resulting in £347k slippage into 2011-12.
 - Playbuilder capital funding has reduced by £220k following central government reductions. The schemes will be delivered within this revised funding envelope.
 - £154k of childcare quality and access funding has been vired to fund anticipated children centre costs.

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 9 £'000	Comments
Children's Services			
Hereford Academy	13,256	8,684	Work in progress scheme on schedule both time and budget
Earl Mortimer Replacement School	4,171	3,624	Work in progress scheme on schedule both time and budget
Co-location	3,328	1,152	Seven schemes are progressing at various locations with the Leominster scheme starting in the next two weeks.
Devolved Capital Programme	1,900	1,369	Devolved allocation of capital funding to schools
Intervention Centres	1,823	1,005	14 schemes at high schools are progressing
Primary Grant	1,500	358	This grant is to fund the amalgamation of Leominster's junior and infants school
TCF Standards and Diversity	675	76	Rural funding towards plant and equipment costs
Childcare / QuAc	508	512	Various schemes to complete in 2010/11
Condition property works	600	571	Annual programme of works at various sites committed on a highest need first basis, budget under pressure due to decreased funding allocation this year
Childrens Centres	717	255	Springfield children's centre completes soon, Conningsby is scheduled to complete this year
Resources			
Corporate accommodation	1,000	566	This years scheme to proceed in the near future
Smallholdings	723	593	Regulatory works at various sites
Hereford Leisure Pool	600	-	Essential refurbishment works to commence shortly
Deputy Chief Executive			
Herefordshire Connects	2,336	1,057	HR and finance system to go live April 2011
Sustainable Communities			
Road, Bridge & Footway Maintenance	11,769	8,944	Annual programme of Amey works
Livestock Market	5,200	3,241	Work underway to complete in Spring
Rural Enterprise Grant	1,667	1,275	Various grant funded schemes
Grange Court	1,000	241	Refurbishment works now commenced
Mandatory Disabled Facilities Grant	1,230	630	Various schemes are referred and committed before expenditure is recorded this may delay actual spend

Extreme winter highway damage	1,017	738	Bulk of works completed
Hereford City Centre Enhancements	891	950	Improvement works completed
Credenhill flood alleviation scheme	750	483	Grant funded alleviation works in association with Hereford Futures
Rotherwas Futures Estate Development Work	718	168	Work progressing on the northern access road
Private Sector Housing	697	331	Only emergency schemes are being progressed due to final year of government funding allocation and will support vulnerable households as a priority.
Access to new livestock market	600	22	Work to be completed by Amey
Sustrans Connect 2	558	286	Cycle scheme linking Hereford to Holme Lacy
Sub Total	59,234	37,131	
Schemes with a budget <£500k in 2010/11	10,493	5,645	
Total	69,727	42,776	

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	(14,628)	
No longer required	(744)	
		(15,372)
Expected use of Prudential Borrowing in 2010/11		9,154

6. The bulk of slippage into future years relates to the accommodation strategy (which has a forecast spend of £1m this year) and Ledbury library, which is under review.
7. The delay in PB has delivered an additional one off underspend in the revenue budgets of £258k.

Capital Receipts Reserve

8. The capital receipts reserve totalled £13.3m as at 1ST April 2010; £8.3m of this is expected to fund the 2010/11 capital programme as detailed above. Future year commitments include funding the provision of a livestock market and improvements to smallholdings and total £4.2m. This year capital receipts have been received from the sale of Elmhurst.