

Capital Forecast

1. The capital outturn forecast for 2012/13 as at the end of September totals £40.73m. A summary by directorate and funding source is provided in Table A below.

Table A – Funding of 2012/13 Capital Outturn Forecast

Directorate	2012/13 Forecast £'000	Prudential Borrowing £'000	Grants & Contributions £'000	Capital Receipts Reserves £'000
People's Services	9,123	647	8,412	64
Places & Communities	25,753	6,636	15,842	3,275
Corporate Services	5,480	5,395	56	29
Contingency	370	370	-	-
Total	40,726	13,048	24,310	3,368

2. **Table B - Schemes with an outturn forecast exceeding £500k in 2012/13**

Scheme	Spend to end Sept £'000	2012/13 Forecast £'000	Comments
People's Services			
Blackmarstons	530	2,425	SEN school extension, submitted to planning
Basic Need – Schools	253	1,748	This funding has been allocated to schools through a structured bidding process
Condition property works	695	1,267	Annual programme of works at various sites committed on a highest need first basis, the funding has decreased in 12/13 as a result of schools converting to academies
Hampton Dene	492	706	SEN school specialist unit works
Leominster Primary school	114	520	Scheme in planning period
Places & Communities			
Local Transport Plan	3,929	9,985	Annual programme of capital works to highways, footways and bridges, this funding has been cut by 5% from 2011/12s funding allocation
Link Road	5,964	4,559	Property purchase
Connect 2	(11)	1,736	Non-motorised connection between the city centre and Rotherwas
Disabled Facilities Grant	306	1,658	There is a large demand for these grants, applications are progressed through an approval process
Grange Court	316	1,152	Refurbishment works underway, expected completion date slipped by contractor
Garrick House multi storey car park	60	918	Essential lift and enhancement works

Putson Community Building	22	765	S106 funded new build
Marches Redundant Building Grant Scheme	14	750	New LEP grant funded scheme
Affordable Housing Grants	31	729	Various grants awarded to approved schemes
Hereford Active Travel Schemes	-	623	Detailed design works commenced
Ledbury Library	212	591	Phase 2 restoration works start February 2013
Broadband	-	500	Expected investment in rural broadband infrastructure
Corporate Services			
Corporate accommodation	756	4,580	Work on a significantly reduced project is planned to start in 2012/13 at Plough Lane and on the new heritage, archive and record centre
Hereford Leisure Pool	948	756	Phase 1 complete, phase 2 works nearing completion
Sub Total	14,631	35,968	
Schemes with a budget <£500k in 2012/13	1,847	4,758	
Total	16,478	40,726	

Prudential Borrowing

3. A summary of the forecast Prudential Borrowing (PB) position is set out below. This indicates our expected use of borrowing in 2012/13.

	£'000	£'000
2012/13 Original Prudential Borrowing Forecast		11,905
Less: Slippage into 2013/14	(1,350)	
Removal of Halo driving range funding	(346)	
Add: Revenue financed IKEN capital scheme	65	
Slippage from 2011/12	<u>2,774</u>	
		1,143
Expected use of Prudential Borrowing in 2012/13		13,048

Capital Receipts Reserve

4. The opening capital receipts reserve balance was £2.9m as at 1st April 2012; this has been increased by £1.4m to £4.3m from the capital receipt share from the sale of West Mercia Supplies. £3.4m of this is to be used to fund capital expenditure in 2012/13 with the balance of £0.9m earmarked to fund future year's capital expenditure.