

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 16 JULY 2013**

REPORT BY: **HEAD OF FINANCE**

SUBJECT: **CAPITAL PROGRAMME 2012/13 (OUTTURN)**

1.00 PURPOSE OF REPORT

1.01 To provide Members with the capital programme outturn information for 2012/13.

2.00 BACKGROUND

2.01 The Council approved a Housing Revenue Account capital programme for 2012/13 of £9.398m at its meeting of 21st February 2012, and a Council Fund capital programme of £23.825m at its meeting of 1st March 2012.

3.00 CONSIDERATIONS

3.01 Programme – Movements

3.01.1 The table below sets out how the programme has changed during 2012/13.

	Council Fund	Housing Revenue Account	Total
	£m	£m	£m
Council 21.02.12. (HRA) and 01.03.12. (Council Fund)			
Original Capital Programme	23.825	9.398	33.223
	23.825	9.398	33.223
Cabinet 16.10.12			
Revised Capital Programme	29.882	10.888	40.770
Cabinet 18.12.12			
Revised Capital Programme	30.076	10.888	40.964
Cabinet 19.03.13			
Revised Capital Programme	26.441	11.591	38.032
Outturn Report			
As Previously Reported	26.441	11.591	38.032
Changes During the Final Quarter	4.453	0.041	4.494
	30.894	11.632	42.526
Other Changes During the Final quarter			
Identified Savings	(0.237)	0	(0.237)
Early Identified Rollover to 2013/14 (Prev) - Adjustment	0.041	0	0.041
	30.698	11.632	42.330
Rollover to 2013/14 - Current	(4.244)	(0.890)	(5.134)
Revised Programme and Outturn	26.454	10.742	37.196

- 3.01.2 From the table it can be seen that the previously reported programme total of £38.032m has decreased to £37.196m by way of the inclusion of net increased schemes of £4.494m (Council Fund £4.453m, HRA £0.041m), identified savings of £0.237m, and an adjustment of £0.041m on the previously reported Rollover of £3.657m. These adjustments were offset by a year-end rollover total of £5.134m (Council Fund £4.244m, HRA £0.890m).
- 3.01.3 Detailed cumulative information relating to each programme area is provided in Appendix A and summarised over the page –

REVISED PROGRAMME	Original Budget 2012/13 £m	Rollover From 2011/12 £m	Changes £m	Rollover To 2013/14 £m	Savings £m	Outturn £m
Corporate Services	3.458	0.697	(0.360)	(1.283)	(0.270)	2.242
Ciwyd Theatr Cymru	0.025	0.050	0.145	(0.040)	0	0.180
Community Services	3.669	0.321	1.229	0.038	(0.050)	5.207
Environment	9.124	1.404	3.696	(2.580)	(0.008)	11.636
Lifelong Learning	7.549	3.800	(0.009)	(3.751)	(0.400)	7.189
Council Fund Total	23.825	6.272	4.701	(7.616)	(0.728)	26.454
Housing Revenue Account	9.398	1.490	0.988	(1.134)	0	10.742
Programme Total	33.223	7.762	5.689	(8.750)	(0.728)	37.196

3.02 Changes During This Period

- 3.02.1 A summary of those changes recorded during the last quarter (together with supporting narrative), is provided in Appendix B.

3.03 Identified Savings

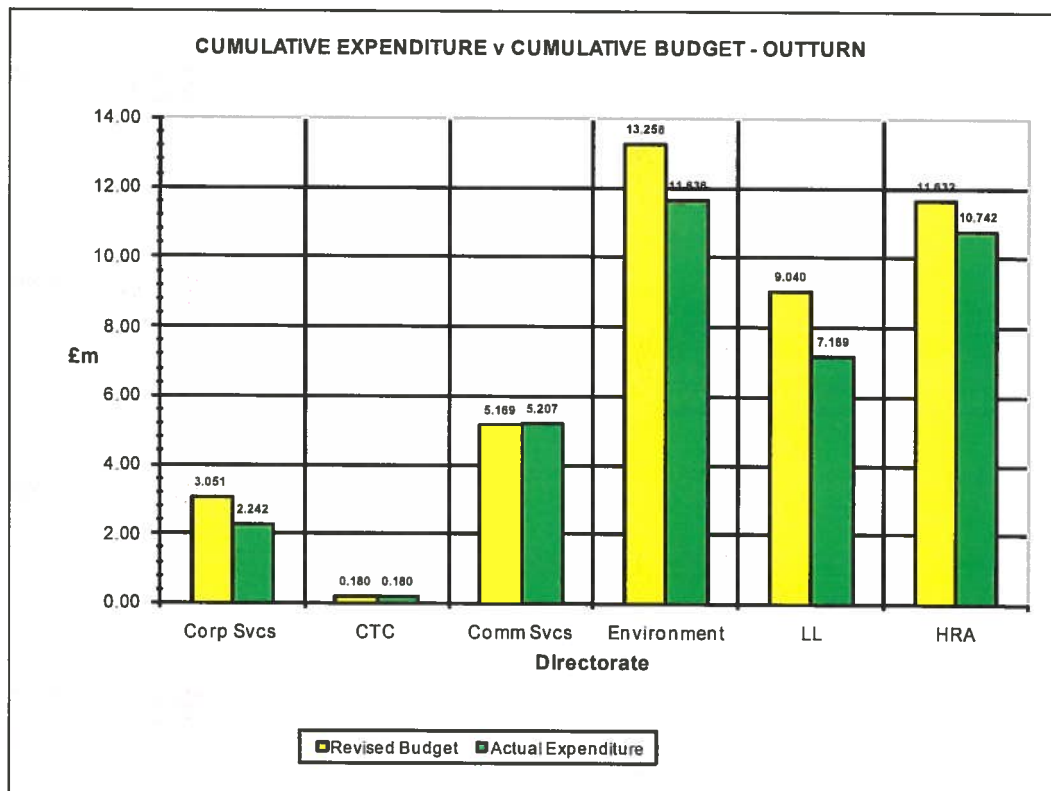
- 3.03.1 Further savings of £0.237m within ICT infrastructure projects were identified in the final quarter. This is in addition to the £0.491m previously reported bringing the total to £0.728m.

3.04 Capital Expenditure / Outturn v Revised Budget

- 3.04.1 The Final Outturn across the whole programme amounted to £37.196m, representing 87.87% of the revised total of £42.330m. This compares to 51.81% reported as at the previous quarter and 90.99% at the outturn stage 2011/12.
- 3.04.2 Further analysis of the achievement of 87.87% is detailed in the table over the page. The outturn position (by directorate) is also displayed in chart form overleaf.

EXPENDITURE/OUTTURN	Revised Budget	Outturn	Variance Outturn v Budget (Under/Over)	% Outturn v Budget
	£m	£m	£m	%
Corporate Services	3.051	2.242	(0.809)	73.48
Clwyd Theatr Cymru	0.180	0.180	0	100.00
Community Services	5.169	5.207	0.038	100.74
Environment	13.258	11.636	(1.622)	87.77
Lifelong Learning	9.040	7.189	(1.851)	79.52
Council Fund Total	30.698	26.454	(4.244) →	86.17
Housing Revenue Account	11.632	10.742	(0.890) →	92.35
Programme Total	42.330	37.196	(5.134) →	87.87

3.04.3 The significant variances (those greater than £0.025m) are individually listed in Appendix C, together with the reasons for such, and the required remedial action; all other variances (those less than £0.025m) are aggregated within Appendix C for each directorate.



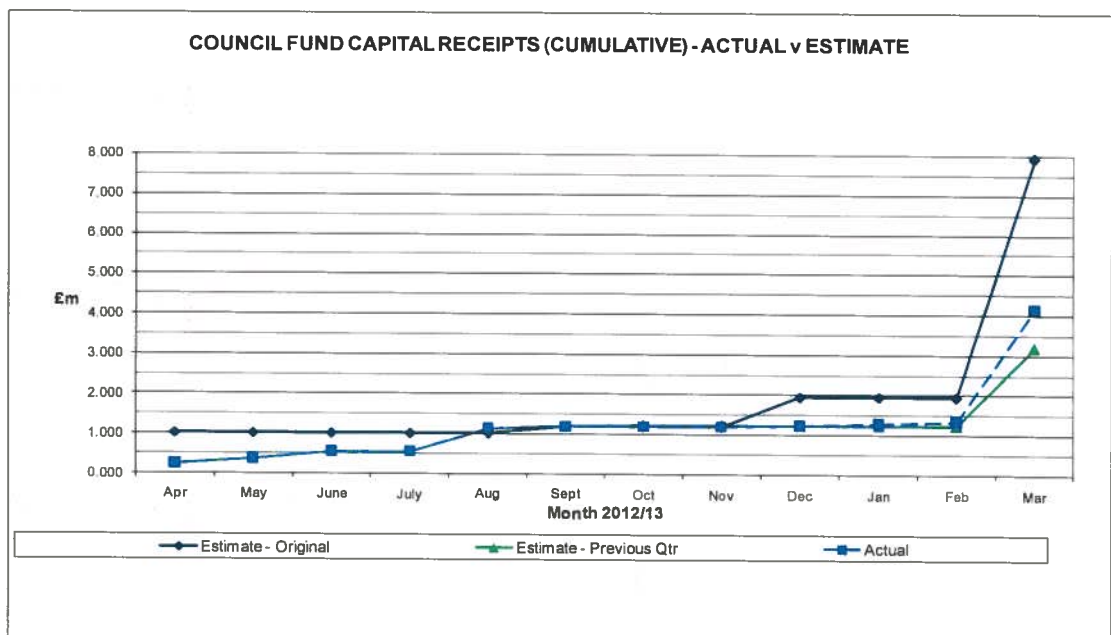
3.05 Financing

3.05.1 The capital programme outturn total was financed as summarised below -

FINANCING RESOURCES			
	General Financing	Specific Financing	
	Supported Borrowing / General Capital Grant / Capital Receipts	Grants & Contributions / CERA/Reserves/ Prudential Borrowing	Total Financing
	£m	£m	£m
Final Monitoring			
Council Fund	13.800	12.654	26.454
Housing Revenue Account	6.008	4.734	10.742
Outturn - Total Financing Resources	19.808	17.388	37.196

3.05.2 That element of the Council Fund total financed from general (non-specific) financing resources relies in part on the generation of capital receipts from asset disposals. The chart below provides details of the moving (cumulative) position detailing the original estimate, revised estimate last quarter and the final level of actual capital receipts.

3.05.3 The cumulative position at Quarter 3 was reported to Cabinet on 19th March 2013. At that time, the final 2012/13 capital receipts figure was forecast at £3.181m. The outturn position shows an increased total of £4.136m, influenced by a range of factors such as the re-profiling/rescheduling of the timing of anticipated receipts, revised values and some movement of potential disposals to/from the list.



3.05.4 The economic climate during the year made the realisation of capital receipts difficult. However the outlook appears more positive in 2013/14 and receipts will be closely monitored in order to assess the impact on the approved initial 80% spending limits included in the 2013/14 capital programme.

3.05.5 The HRA resources are ring-fenced and used only for HRA purposes.

3.06 Rollover

3.06.1 The value of 2012/13 rollover (Council Fund & HRA) at £8.750m represents an increase of £0.988m on the equivalent 2011/12 figure of £7.762m.

Within the total of £8.750m is the £3.657m (now reduced to £3.616m) that was reported to Cabinet at the Quarter 3 stage (Cabinet 19th March, 2013); the £3.657m represented the value of reviewed spending plans in respect of programme works/contract retention releases in 2013/14.

Year end rollover stands at £5.134m (£4.244m Council Fund & £0.890m HRA), including both council funded and grant aided/Prudential Borrowing schemes; these amounts are required in order to fulfil programme commitments in 2013/14.

Members will recall the significant improvements made in the level of rollover in 2011/12 and although the figure this year is higher there are valid reasons with some of the main causes being:-

- Receipt of an additional WG grant of £0.665m for schools;
- Adverse weather conditions in the final quarter resulting in some schemes being delayed; and
- Delayed/protracted tender negotiations, some of which resulted in the savings detailed in 3.03.1.

Comparative year-on-year information is provided in the table below, with details of individual service rollover figures for 2012/13 provided as part of the information in Appendix A.

ROLLOVER		Analysis		
From	Into	Total	Council Fund	HRA
		£m	£m	£m
2009/10	2010/11	9.698	7.326	2.372
2010/11	2011/12	13.029	10.233	2.796
2011/12	2012/13	7.762	6.272	1.490
2012/13	2013/14	8.750	7.616	1.134

4.00 RECOMMENDATIONS

4.01 The Cabinet is requested to:-

- a) Approve the rollover adjustments detailed in 3.06
- b) Note and approve the Report.

5.00 FINANCIAL IMPLICATIONS

5.01 As set out in Sections 2 and 3 of the Report.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 Many of the schemes in the programme are designed to improve the environment, infrastructure and assets of the Authority.

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 Appendix A : Capital Programme – Changes during 2012/13
Appendix B : Changes during this period
Appendix C : Variances

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

Capital Programme Monitoring Papers 2012/13

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